

## PROSPECTUS



# Vodafone Group Plc

(incorporated with limited liability in England and Wales)

## €30,000,000,000

### Euro Medium Term Note Programme

On 16 July 1999 Vodafone Group Plc (the "**Issuer**" or "**Vodafone**") entered into a €5,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). Since that date the maximum aggregate nominal amount of notes (the "**Notes**") which may from time to time be outstanding under the Programme has been increased to €30,000,000,000. This Prospectus supersedes any previous prospectuses, offering circulars or supplements thereto. Any Notes issued on or after the date of this Prospectus are issued subject to the provisions herein. This Prospectus does not affect any Notes issued prior to the date hereof.

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme (including any Notes which, upon issue, are immediately purchased by or on behalf of the Issuer ("**Retained Notes**")) will not exceed €30,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement (as defined under "**Subscription and Sale**")), subject to increase as described in the Programme Agreement.

Payments in respect of the Notes will be made without withholding or deduction for or on account of taxes of the jurisdiction of incorporation of the Issuer to the extent described under "**Terms and Conditions of the Notes — Condition 8 Taxation**". If any such withholding or deduction is required by law the Issuer will pay additional amounts in respect of such withholding or deduction, subject to the exceptions described in "**Terms and Conditions of the Notes — Condition 8 Taxation**".

In certain circumstances another entity may be substituted for or acquire the rights and obligations of the Issuer under the Notes. In such case, payments in respect of the Notes will be made without withholding or deduction for or on account of taxes of the jurisdiction of incorporation of such entity unless the withholding or deduction is required by law, in which case the substituted entity will pay additional amounts in respect of such withholding or deduction, subject to certain exemptions.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "**Overview of the Programme**" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an on-going basis. References in this Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

This Prospectus has been approved as a base prospectus by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subjects of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made under Part VI (Official Listing) of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") to the FCA for Notes (other than Exempt Notes) issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the official list maintained by the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's regulated market (the "**Market**"). References in this Prospectus to the Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market. The Market is a regulated market for the purposes of Directive 2014/65/EU (as amended) ("**MiFID II**").

This Prospectus is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market for the purposes of MiFID II in the European Economic Area. For these purposes, reference(s) to the European Economic Area include(s) the United Kingdom. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. References in this Prospectus to "**Exempt Notes**" are to Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation. For these purposes, references to the European Economic Area include the United Kingdom. **Information contained in this Prospectus regarding Exempt Notes shall not be deemed to form part of this Prospectus and the FCA has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes.**

Application has also been made for Exempt Notes issued under the Programme to be admitted to trading on the International Securities Market (the "**ISM**") of the London Stock Exchange. The ISM is not a regulated market for the purposes of MiFID II. **The ISM is a market designated for professional investors. Securities admitted to trading on the ISM are not admitted to the Official List of the FCA. The London Stock Exchange has not approved or verified the contents of this Prospectus.** The Programme provides that Exempt Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets (other than a stock exchange or market which is a regulated market for the purposes of MiFID II) as may be agreed between the Issuer and the relevant Dealer.

The Issuer may also issue unlisted Exempt Notes and/or Exempt Notes not admitted to trading on any stock exchange or market. In the case of Exempt Notes, the applicable Pricing Supplement (as defined below) will state whether or not the relevant Notes will be so listed and/or admitted to trading.

In relation to any Tranche (as defined under "**Terms and Conditions of the Notes**") of Notes (other than Exempt Notes), the aggregate nominal amount of the Notes of such Tranche, the interest (if any) payable in respect of the Notes of such Tranche, the issue price and certain other information which is applicable to such Tranche will be set out in a final terms document ("**Final Terms**") which will be delivered to the FCA and the London Stock Exchange on or before the date of issue of the Notes of such Tranche. Copies of the Final Terms will also be published on the website of the London Stock Exchange through a regulatory information service. In relation to any Tranche of Exempt Notes, the aggregate nominal amount of the Notes of such Tranche, the interest (if any) payable in respect of the Notes of such Tranche, the issue price and certain other information which is applicable to such Tranche will be set out in a pricing supplement document (the "**Pricing Supplement**"). Copies of the Pricing Supplement will be available for viewing as set out, and subject as provided in, "**General Information**". In the case of Exempt Notes, references herein to "**Final Terms**" shall be deemed to be references to "**Pricing Supplement**" so far as the context admits.

The Issuer may agree with any Dealer and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**") that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes admitted to the Official List only) a new prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of such risks, see "**Risk Factors**" below.**

The Issuer has a long term/short term debt rating of "Baa2"/"P-2" by Moody's Investors Service Limited ("**Moody's**"), "BBB"/"A-2" S&P Global Ratings Europe Limited ("**S&P**") and "BBB"/"F-3" by Fitch Ratings Limited ("**Fitch**"). Each of Moody's, S&P and Fitch is established in the European Union (the "**EU**") or the United Kingdom and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). The rating of certain Series (as defined below) of Notes to be issued under the Programme may be specified in the applicable Final Terms. In general, European and United Kingdom regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the United Kingdom and registered under the CRA Regulation (and such registration has not been withdrawn or suspended).

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any State or other jurisdiction of the United States, and the Notes may include Bearer Notes (as defined under "**Overview of the Programme**") that are subject to U.S. federal income tax law requirements. The Notes may not be offered or sold or, in the case of Bearer Notes, delivered in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from Section 5 of the Securities Act provided by Rule 144A (as defined herein).

**Arranger**  
NatWest Markets  
**Dealers**

BBVA  
BNP PARIBAS  
Citigroup  
Goldman Sachs International  
IMI – Intesa Sanpaolo

Barclays  
BofA Securities  
Deutsche Bank  
HSBC  
ING

The date of this Prospectus is 26 August 2020.

J.P. Morgan  
Mizuho Securities  
NatWest Markets  
Santander Corporate & Investment Banking  
Société Générale Corporate & Investment Banking  
TD Securities

UniCredit Bank

Lloyds Bank Corporate Markets  
Morgan Stanley  
RBC Capital Markets  
SMBC Nikko  
Standard Chartered Bank  
UBS Investment Bank

This Prospectus constitutes a base prospectus in respect of all Notes other than Exempt Notes for the purposes of Article 8 of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer the information contained in this Prospectus is in accordance with the facts and that this Prospectus makes no omission likely to affect its import.

None of the Dealers and the Trustee has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, any of the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial and business condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, all documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*") when deciding whether or not to purchase any Notes. The distribution of this Prospectus and any Final Terms and the offer or sale of Notes may be restricted by law in certain jurisdictions. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any relevant Dealer or any parent company or affiliate of such Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant Dealer or the relevant parent company or affiliate of such Dealer on behalf of the Issuer in such jurisdiction. None of the Issuer, the Dealers and the Trustee represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. No Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United Kingdom, the United States, the European Economic Area (including, for these purposes, the United Kingdom), France, Italy, Japan, the People's Republic of China (the "**PRC**" which term, for the purposes of this Prospectus, excludes the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), the Macau Special Administrative Region of the People's Republic of China and Taiwan), Australia, Hong Kong and Singapore (see "*Subscription and Sale*" below).

## **BENCHMARKS REGULATION**

Interest and/or other amounts payable under Floating Rate Notes and CMS Linked Notes may be calculated by reference to certain reference rates. In the case of Notes other than Exempt Notes, any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Transitional provisions in the Benchmarks

Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable Final Terms to reflect any change in the registration status of the administrator.

## **MIFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Final Terms in respect of any Notes may include a legend titled “MIFID II PRODUCT GOVERNANCE” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither NatWest Markets Plc (in its capacity as arranger) nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

## **IMPORTANT – EUROPEAN ECONOMIC AREA AND UNITED KINGDOM RETAIL INVESTORS**

If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to European Economic Area and United Kingdom Retail Investors” or, as the case may be, “Prohibition of Sales to European Economic Area Retail Investors” the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area or, if so specified in the applicable Final Terms, in the United Kingdom. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended) (the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area or, if so specified in the applicable Final Terms, in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area or, if so specified in the applicable Final Terms, in the United Kingdom may be unlawful under the PRIIPs Regulation.

## **U.S. INFORMATION**

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS THE NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE. THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. FEDERAL INCOME TAX LAW REQUIREMENTS AND MAY NOT BE OFFERED OR SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS.**

THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON AND IN COMPLIANCE WITH REGULATION S, AND NOTES MAY BE OFFERED AND SOLD WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN, AND IN RELIANCE ON, RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”) (“**QIB**”). PROSPECTIVE PURCHASERS OF NOTES ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE NOTES AND DISTRIBUTION OF THIS PROSPECTUS, SEE “*SUBSCRIPTION AND SALE*” AND “*TRANSFER RESTRICTIONS*”.

EACH PURCHASER OR HOLDER OF NOTES WILL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE OF ANY SUCH NOTES, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH NOTES AS SET OUT IN “*SUBSCRIPTION AND SALE*” AND “*TRANSFER RESTRICTIONS*”.

BEARER NOTES AND EXCHANGEABLE BEARER NOTES ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR ITS POSSESSIONS OR TO UNITED STATES PERSONS, EXCEPT IN CERTAIN TRANSACTIONS PERMITTED BY U.S. TREASURY REGULATIONS. TERMS USED IN THIS PARAGRAPH HAVE THE MEANINGS GIVEN TO THEM BY THE U.S. INTERNAL REVENUE CODE OF 1986 AND THE REGULATIONS PROMULGATED THEREUNDER.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON, OR ENDORSED THE MERITS OF, THE OFFERING OF THE NOTES OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

## GENERAL NOTICE

Notes may not be a suitable investment for all investors. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplementary prospectus;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;
- (iv) understands thoroughly the terms of the relevant Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has, unless otherwise specified before an offer of Notes, determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes to be issued under the Programme are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

All references in this document to "**U.S. dollars**", "**U.S.\$**" and "**\$**" refer to the currency of the United States of America, to "**Sterling**", "**pounds sterling**", "**pence**", "**£**" and "**p**" refer to the currency of the United Kingdom, to "**¥**" refer to the currency of Japan, to "**Australian dollars**" and "**A\$**" refer to the currency of Australia, to "**euro**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, to "**QAR**" are to the currency of the State of Qatar, to "**INR**" are to the lawful currency of India, to "**ZAR**" are to the lawful currency of the Republic of South Africa, to "**PLN**" are to the lawful currency of the Republic of Poland, to "**CNY**", "**RMB**" and "**Renminbi**" are to the lawful currency of the PRC and to "**billions**" are to thousand millions.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or any person acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of the relevant Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

# Table of Contents

	<b>Page</b>
Documents Incorporated by Reference.....	8
Risk Factors.....	10
Overview of the Programme .....	20
Summary of Provisions Relating to the Notes While in Global Form.....	25
Form of Final Terms.....	30
Form of Pricing Supplement.....	42
Terms and Conditions of the Notes.....	54
Use of Proceeds .....	93
Description of the Issuer .....	94
Taxation.....	100
Subscription and Sale .....	102
Transfer Restrictions.....	107
General Information .....	109

# Documents Incorporated by Reference

The following documents, which have previously been published and have been filed with the FCA, shall be incorporated in, and form part of, this Prospectus:

- (a) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 March 2020, including the auditors' report thereon, as set out on pages 127 to 238, the section on alternative performance measures, as set out on pages 239 to 247, and the definitions section as set out on pages 269 to 271 of the Issuer's Annual Report for the year ended 31 March 2020 (available at <https://investors.vodafone.com/sites/vodafone-ir/files/vodafone-annual-report/vodafone-annual-report-2020.pdf>);
- (b) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 March 2019, including the auditors' report thereon, as set out on pages 102-199, the section on alternative performance measures, as set out on pages 231-245, and the definitions section as set out on pages 250-252 of the Issuer's Annual Report for the year ended 31 March 2019 (available at [http://media.corporate-ir.net/media\\_files/IROL/77/77862/annual-reports/annual\\_report19/downloads/Vodafone-full-annual-report-2019.pdf](http://media.corporate-ir.net/media_files/IROL/77/77862/annual-reports/annual_report19/downloads/Vodafone-full-annual-report-2019.pdf)); and
- (c) the section entitled "Terms and Conditions of the Notes" from each of the previous offering circulars and base prospectuses relating to the Programme, as follows: (i) pages 19-33 of the Offering Circular dated 6 June 2002; (ii) pages 19-33 of the Offering Circular dated 6 June 2003; (iii) pages 31-50 of the Prospectus dated 19 July 2006; (iv) pages 32-50 of the Prospectus dated 14 July 2008; (v) pages 45-63 of the Prospectus dated 10 July 2009; (vi) pages 43-70 of the Prospectus dated 4 August 2014; (vii) pages 37-62 of the Prospectus dated 4 August 2015, (viii) pages 37-63 of the Prospectus dated 12 January 2016, (ix) pages 35-61 of the Prospectus dated 16 December 2016, (x) pages 47-76 of the Prospectus dated 31 August 2018, and (xi) pages 50-87 of the Prospectus dated 5 July 2019,

save that (i) any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise) and (ii) any documents which are incorporated by reference therein shall not constitute a part of this Prospectus. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Any non-incorporated parts of a document referred to herein are either not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

In the event of any significant new factor arising or any material mistake or material inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of any Notes, the Issuer will, prior to any subsequent issue of Notes, prepare and publish a supplementary prospectus or publish a new prospectus. The Issuer has undertaken to the Dealers in the Programme Agreement that it will comply with Article 23 of the Prospectus Regulation. In addition, in the event of a substitution of the Issuer in the manner set out in Condition 15 and in accordance with the provisions of the Trust Deed, a new prospectus will be published for use in connection with any subsequent issue of the Notes.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the Issuer's website at <https://investors.vodafone.com/investor-relations> and the website of the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-newshome.html](http://www.londonstockexchange.com/exchange/news/market-news/market-newshome.html).

Other than indicated above, neither the content of the Issuer's website, nor the content of any website accessible from hyperlinks on the Issuer's website, is incorporated into, or forms part of, this Prospectus and investors should not rely on them, without prejudice to the Documents Incorporated by Reference which are made available on the Issuer's website

## Alternative Performance Measures

Certain alternative performance measures ("APMs") are included or referred to in this Prospectus. APMs are non-GAAP measures used by the Group (as defined in "Description of the Issuer") within its financial publications to supplement disclosures prepared in accordance with other regulations such as International Financial Reporting Standards. The Issuer considers that these measures provide useful information to enhance the understanding of financial performance. The APMs should be viewed as complementary to, rather than a



substitute for, the figures determined according to other regulatory measures. An explanation of each such metric's components and calculation method can be found at pages 239 to 247 (incorporated by reference herein) of the Issuer's Annual Report for the year ended 31 March 2020 and at pages 231 to 245 (incorporated by reference herein) of the Issuer's Annual Report for the year ended 31 March 2019.

# Risk Factors

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate, and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision. Investors may lose all or part of their investment in the Notes.*

## **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

### ***Global economic disruption***

Any major economic disruption, including the impact of the COVID-19 pandemic (see "COVID-19" below), could result in reduced demand for the Group's services and lower spending power for the Group's consumers, affecting the Group's profitability and cash flow generation. Economic disruption may also impact financial markets, including currencies, interest rates, borrowing costs and the availability of debt financing. A relative strengthening or weakening of the major currencies in which the Group transacts could impact its profitability.

### ***Cyber threat and information security***

An external cyber-attack, insider threat or supplier breach could cause service interruption or the loss of confidential data. Criminals and other sophisticated threat actors are using the COVID-19 crisis as cover to expand or continue their actions against all sectors, including the Group and its customers. Cyber threats could lead to major customer, financial, reputational and regulatory impact across all of the Group's markets.

### ***Geo-political risk in supply chain***

The Group operates and develops sophisticated infrastructure in the countries in which it has a presence. The Group's network and systems are dependent on a wide range of suppliers internationally. If the Group were unable to execute its plans, the Group, and the industry, would face potential delays to network improvements and increased costs.

### ***Adverse political and regulatory measures***

Operating across many markets and jurisdictions means the Group deals with a variety of complex political and regulatory landscapes. In all of these environments, the Group may face changes in taxation, political intervention and potential competitive disadvantage. This also includes the Group's participation in spectrum auctions, which could impact the Group's profitability.

### ***Technology failure***

Major incidents caused by natural disasters, deliberate attacks or an extreme technology failure, although rare, often result in the complete loss of key sites in either the Group's data centres or its mobile or fixed networks causing major unavailability of service. This could result in a major impact on the Group's customers, revenues and reputation.

### ***Strategic transformation***

The Group is undertaking a large-scale integration of new assets across multiple markets. If the Group does not complete this in a timely and efficient manner, it would not see the full benefit of planned synergies and could face additional costs or delays to completion. The

successful integration also requires that an important number of technology platforms and services are migrated on time before the termination of the transitional services agreements. The Group also has a number of joint ventures in operation and must ensure that these operate effectively.

### ***Market disruption***

New entrants with lean models could create pricing pressure. As more competitors push unlimited bundles there could be price erosion. The Group's market position and revenues could be damaged by failing to provide the services that its customers want at a fair price.

### ***Digital transformation***

Failure in digital or IT transformation projects could result in business loss, degraded customer experience and reputation damage.

### ***Disintermediation***

The Group faces increased competition from a variety of new technology platforms, which aim to build alternative communication services or different touch points, which could potentially affect the Group's customer relationships. The Group must be able to keep pace with these new developments and competitors while maintaining high levels of customer engagement and an excellent customer experience.

### ***Legal and regulatory compliance***

The Group must comply with a multitude of local and international laws and applicable industry regulations. These include laws relating to: privacy; anti-money laundering; competition; anti-bribery; and economic sanctions. Failure to comply with these laws and regulations could lead to reputational damage, financial penalties and/or suspension of the Group's licence to operate.

### ***COVID-19***

The global COVID-19 pandemic and the widespread implementation of measures to contain it have resulted in a sharp decline in economic activity. Given the ongoing and dynamic nature of the crisis, it is difficult to predict the impact of the COVID-19 pandemic on the Group's business. The economic disruption as a result of the measures and policies introduced in the Group's markets may have an adverse impact on the Group's business, results of operations, financial condition or prospects (see "*Global economic disruption*" above).

In addition, delays across the supply chain are expected as a result of the disruptions in availability of people, goods, services and equipment. This is expected to persist and be further compounded by the global economic disruption which may negatively affect the financial stability of critical suppliers.

## **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

### **Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain of such features:

*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*The amount of interest and/or the amount to be repaid upon redemption of Notes may be subject to adjustment by reference to an inflation index, which may reduce the interest amount payable in respect of the relevant interest period and/or reduce the amount to be repaid upon redemption to less than the face value of such Notes*

The Issuer may issue Notes on terms that the amount of interest payable on each interest payment date and/or the amount to be repaid upon redemption of the Notes will be calculated by reference to movements in the specified inflation index during a reference period (**"Inflation Linked Notes"**). Inflation indexes may go down as well as up. Where Notes in respect of which the amount of interest payable is subject to adjustment by reference to movements in an inflation index are issued, a decrease in such inflation index over the reference period will reduce the amount of interest payable in respect of such Notes. In a deflationary environment, the annual interest received may be lower than the rate of interest specified in the applicable Final Terms. Where the amount payable upon redemption of the Notes is subject to adjustment by reference to movements in an inflation index, a decrease in the specified inflation index over the reference period may reduce the amount to be repaid upon redemption of the Notes to less than the nominal amount of the Notes. Investors as a consequence may lose the value of their entire investment or part of it. The historical experience of the relevant inflation index should not be viewed as an indication of future performance of that inflation index during the term of any Inflation Linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Inflation Linked Notes and the suitability of such Notes in light of its particular circumstances.

*If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts, at the option of the Issuer, from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

*The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"*

Reference rates and indices which are deemed to be "benchmarks" (including the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**")) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, and may have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark".

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the United Kingdom). It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned by the FCA as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. The FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing

EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system.

It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR will continue to be supported going forwards. This may cause LIBOR and EURIBOR to perform differently than they have done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks:

- sudden or prolonged increases or decreases or volatility in the reported benchmark rates or a delay in the publication of any such benchmark rates;
- triggering changes in the rules or methodologies used in the benchmark;
- discouraging market participants from continuing to administer or contribute to a benchmark; and/or
- the disappearance of a benchmark.

Any of the above changes, or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the market value of and return on any Notes referencing a benchmark (including potential rates of interest thereon).

Investors should be aware that, if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes and CMS Linked Notes which reference such a benchmark rate will be determined by the fallback provisions applicable to such Notes.

In the case of (i) Floating Rate Notes where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and (ii) CMS Linked Notes (together, “**Relevant Notes**”), the Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Discontinuation Event and a related Benchmark Replacement Date (as described in the Terms and Conditions of the Notes) occur. These fallback arrangements will include the possibility that:

- (a) the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor reference rate or an alternative reference rate (as applicable) determined by the Issuer in consultation with an Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, by the Issuer alone; and
- (b) such successor reference rate or alternative reference rate (as applicable) may be adjusted by reference to an adjustment spread (if required) determined by the Issuer in consultation with an Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, by the Issuer alone,

in any such case, acting in good faith and as described more fully in the Terms and Conditions of the Notes.

In addition, in the case of Relevant Notes, the Issuer (acting in good faith) may also in its discretion require that other changes to the Terms and Conditions of the Notes be effected in order to follow market practice in relation to the relevant successor reference rate or alternative reference rate or to ensure the proper operation of the relevant successor reference rate or alternative reference rate (as applicable), as described more fully in the Terms and Conditions of the Notes.

No consent of any Noteholders or Couponholders (as defined below) shall be required in connection with effecting any relevant successor reference rate or alternative reference rate (as applicable) or any other related adjustments and/or amendments described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder or Couponholder, any such adjustment will be favourable to each Noteholder or Couponholder.

In certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes or CMS Linked Notes based on the rate which was last observed on the Relevant Screen Page. In addition, in the case of Relevant Notes, due to the uncertainty concerning the availability of successor reference rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its

obligations under the Floating Rate Notes or the CMS Linked Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Notes.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes or CMS Linked Notes.

*Notes issued as Green Bonds may not be a suitable investment for all investors seeking exposure to green assets*

The Issuer may issue Notes under the Programme which are specified to be “**Green Bonds**” in the relevant Final Terms. It will be the Issuer’s intention to apply the proceeds from an offer of such Green Bonds specifically for a portfolio of eligible green projects (“**Green Projects**”) as described in the green bond framework (the “**Green Bond Framework**”) published on the Issuer’s website at <http://www.vodafone.com/debt-investors/green-bond-framework> and as updated from time to time. Prospective investors should have regard to the information set out in this Prospectus, the relevant Final Terms and the Green Bond Framework regarding such use of proceeds and consult with their legal and other advisers before making an investment in any such Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In connection with the issuance of Green Bonds, Sustainalytics UK Limited (an independent provider of environmental, social and governance research, ratings, and analysis), has evaluated the Issuer’s Green Bond Framework and has issued an independent opinion confirming that the Green Projects described in the Green Bond Framework are aligned with the International Capital Market Association Green Bond Principles 2018.

No assurance is given by the Issuer, the Arranger, or any Dealer that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Neither the Arranger nor any Dealer shall be responsible for the ongoing monitoring of the use of proceeds in respect of any such Notes.

Furthermore, it should be noted that the definition (legal, regulatory or otherwise) of, and market consensus as to what constitutes or may be classified as, a “green” or equivalently-labelled project or loan that may finance such project, is currently under development. On 18 December 2019, the Council and the European Parliament reached a political agreement on a regulation to establish a framework to facilitate sustainable development (the “**Taxonomy Regulation**”). Within the framework of the Taxonomy Regulation, the Technical Expert Group on Sustainable Finance (“**TEG**”) has been asked to develop recommendations for technical screening criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation. On 9 March 2020, the TEG published its final report on the EU taxonomy. The report contains recommendations relating to the overarching design of the EU Taxonomy, as well as extensive implementation guidance on how companies and financial institutions can use and disclose against the taxonomy. On 15 April 2020, the Council adopted by written procedure its position at first reading with respect to the Taxonomy Regulation. As next steps, the European Parliament will have to vote on the text pursuant to the “early second reading agreement” procedure. On this basis, the European Commission will be tasked to establish the actual classification by defining technical screening criteria, in the form of delegated acts, for each relevant environmental objective and sector respectively. The TEG’s recommendations are designed to support the European Commission in the development of the delegated act on climate change mitigation and climate change adaptation under the Taxonomy Regulation. The taxonomy for climate change mitigation and climate change adaptation should be established by the end of 2020 in order to ensure its full application by end of 2021. Accordingly, no assurance is or can be given by the Issuer, the Arranger or any Dealer to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such “green” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects. In addition, no assurance can be given by the Issuer, the Arranger or the Dealers to investors that any Notes will comply with any future standards or requirements regarding any “green” or other equivalently-labelled performance objectives and, accordingly, the status of any Notes as being “green” (or equivalent) could be withdrawn at any time. The TEG has recommended that oversight of reviewers be conducted through a centralised system organised by ESMA. However, until the legislative process for a potential ESMA-led supervision can be fully operational, a market-based and voluntary interim registration process for verifiers of “green” bonds may be set up for a transition period, which would allow for a standardised external verification of “green” bonds by a registered verifier.

No assurance or representation is given by the Issuer, the Arranger or any Dealer as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Arranger, any Dealer, or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as at the

date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated “green”, “environmental”, or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Arranger, any Dealer, or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner summarised in this Prospectus, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in, or substantially in, such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes for any Green Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates*

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### **Notes denominated in Renminbi are subject to additional risks**

Set out below is a description of the principal risks which may be relevant to an investor in Notes denominated in Renminbi (“**Renminbi Notes**”):

*Renminbi is not a completely freely convertible currency and this may adversely affect the liquidity of Renminbi Notes*

Renminbi is not completely freely convertible at present. The government of the PRC (the “**PRC Government**”) continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC Government of control over routine foreign exchange transactions under current accounts.

However, remittance of Renminbi into and out of the PRC for the purposes of capital account items, such as debt financing, capital contributions and securities investments, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system.

Although from 1 October 2016, Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC Government will continue to gradually liberalise the control over cross-border remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and the Issuer's ability to source Renminbi outside the PRC to service such Renminbi Notes*

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

While the People's Bank of China (the "**PBOC**") has entered into agreements (the "**Settlement Arrangements**") on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**"), including but not limited to Hong Kong and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi-denominated financial assets outside the PRC is limited.

Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC and the Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the Issuer is required to source Renminbi outside the PRC to service the Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described in the terms and conditions applicable to Renminbi Notes, the Issuer can make payments under the Notes in U.S. Dollars as set out in the Terms and Conditions of the Notes.

*Investment in Renminbi Notes is subject to exchange rate risks*

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Renminbi Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the Renminbi Notes below their stated coupon rates and could result in a loss when the return on the Renminbi Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

*Investment in Renminbi Notes is subject to interest rate risk*

The PRC Government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rates for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC laws and regulations and prevailing market conditions.

If a Renminbi Note carries a fixed interest rate, then the trading price of such Renminbi Notes will vary with fluctuations in Renminbi interest rates. If an investor in Renminbi Notes tries to sell such Renminbi Notes, it may receive an offer that is less than the amount invested.

*Payments in respect of Renminbi Notes will only be made to investors in the manner specified for in such Renminbi Notes*

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. Except in the limited circumstances stipulated in Condition 6(g), all Renminbi payments to investors in respect of Renminbi Notes will be made solely (i) for so long as such Renminbi Notes are represented by a temporary global Note or a permanent global Note, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and/or Clearstream, Luxembourg (each as defined under "*Overview of the Programme*") rules and procedures, or (ii) for so long as such Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).



### *Renminbi currency risk*

There can be no assurance that access to Renminbi for the purposes of making payments under the Renminbi Notes by the Issuer or generally will remain or that new PRC regulations will not be promulgated which have the effect of restricting availability of Renminbi outside of the PRC. If a Renminbi Currency Event occurs and it becomes impossible to make payment on any Renminbi Notes in Renminbi as a result of Renminbi Illiquidity, Renminbi Non-Transferability or Renminbi Inconvertibility (each as defined in the Terms and Conditions of the Notes), the Issuer may make any payment of Renminbi under the Renminbi Notes in U.S. dollars using an exchange rate determined by the Calculation Agent.

### **Risks related to Notes generally**

Set out below is a description of material risks relating to the Notes generally:

*The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority. The quorum at any meeting of Noteholders for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented. There are no provisions requiring special quorums of Noteholders in any circumstances.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine that any Event of Default or potential Event of Default shall not be treated as such. In addition, the Trustee may, without the consent of the Noteholders, agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15 of the Terms and Conditions of the Notes. In such case, payments in respect of the relevant Notes will be made without withholding or deduction for or on account of taxes of the jurisdiction of incorporation of the entity substituted as principal debtor under the relevant Notes unless the withholding or deduction is required by law, in which case the substituted entity will pay additional amounts in respect of such withholding or deduction, subject to certain exceptions including that, in no circumstances will payments of additional amounts be made for or on account of any taxes imposed by the United States of America or any political subdivision or taxing authority thereof or therein.

*The value of the Notes could be adversely affected by a change in English law or administrative practice*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

*Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if Definitive Notes are subsequently required to be issued*

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a minimum Specified Denomination.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

## Risks related to the market generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. Furthermore, if Retained Notes are held by or on behalf of the Issuer, there can be no assurance of sales of the Retained Notes to third parties, and accordingly any trading market in respect of the Notes may be further reduced or fail to establish.

These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*An investor that holds Notes which are not denominated in the investor's home currency will be exposed to movements in exchange rates adversely affecting the value of such holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on such Notes.*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*Credit ratings may not reflect all risks*

The Issuer has a long term/short term debt rating of "Baa2"/"P-2" by Moody's, "BBB"/"A-2" by S&P and "BBB"/"F-3" by Fitch. One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

For the avoidance of doubt, the Issuer does not commit to ensure that any specific rating of the Notes or the Programme will be upheld nor that the credit rating agencies rating the Notes will remain the same.

In general, European (including United Kingdom) regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or in the United Kingdom and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU or non-United Kingdom credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or a United Kingdom-registered credit rating agency or the relevant non-EU or non-United Kingdom rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European (including United Kingdom) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European (including United Kingdom) regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the Issuer's ratings, the ratings of the Programme and the credit rating agencies which have assigned

such ratings is set out on the front page of this Prospectus. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms and may not necessarily be the same as the rating assigned to the Issuer or the Programme generally.

If any rating assigned to the Issuer is revised lowered, suspended, withdrawn or not maintained by the Issuer, the perception of the Issuer's creditworthiness in the market may be adversely affected. As a result, the market value of the Notes may be reduced, leading to a holder of Notes being unable to sell its Notes or receiving a price which is lower than the value of its original investment.

# Overview of the Programme

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in “Summary of Provisions Relating to the Notes While in Global Form” and “Terms and Conditions of the Notes” below shall have the same meanings in this overview.*

Issuer:	Vodafone Group Plc (“ <b>Vodafone</b> ” or the “ <b>Issuer</b> ”)
Issuer Legal Entity Identifier (LEI):	213800TB53ELEUKM7Q61
Description of the Programme:	Euro Medium Term Note Programme
Arranger:	NatWest Markets Plc
Dealers:	<p>Banco Bilbao Vizcaya Argentaria, S.A.  Banco Santander, S.A.  Barclays Bank PLC  BNP PARIBAS  Citigroup Global Markets Limited  Deutsche Bank AG, London Branch  Goldman Sachs International  HSBC Bank plc  ING Bank N.V.  Intesa Sanpaolo S.p.A.  J.P. Morgan Securities plc  Lloyds Bank Corporate Markets plc  Merrill Lynch International  Mizuho International plc  Morgan Stanley &amp; Co. International plc  NatWest Markets Plc  RBC Europe Limited  SMBC Nikko Capital Markets Limited  Société Générale  Standard Chartered Bank  The Toronto-Dominion Bank  UBS AG London Branch  UniCredit Bank AG</p> <p>The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers in accordance with the Programme Agreement.</p>
Certain Restrictions:	Unless otherwise permitted by then current laws and regulations, Notes which have a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 (or its equivalent in other currencies).
Issuing and Principal Paying Agent:	HSBC Bank plc
Registrar and Transfer Agent:	HSBC Bank USA National Association
Trustee:	The Law Debenture Trust Corporation p.l.c.

Programme Size:	Up to €30,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time (including, for the avoidance of doubt, any Retained Notes). The Issuer may change the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed on a syndicated or non-syndicated basis.
Form of Notes:	<p>The Notes may be issued in bearer form only ("<b>Bearer Notes</b>"), in bearer form exchangeable for Registered Notes ("<b>Exchangeable Bearer Notes</b>") or in registered form only ("<b>Registered Notes</b>"). Registered Notes may not be exchanged for Bearer Notes and Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.</p> <p>Each Tranche of Bearer Notes and Exchangeable Bearer Notes having an initial maturity of more than one year will initially be represented on issue by a temporary global note in bearer form (a "<b>Temporary Global Note</b>") and any other such Tranche will be represented by a permanent global note in bearer form (a "<b>Permanent Global Note</b>", and together with a Temporary Global Note, the "<b>Global Notes</b>"). Global Notes may be deposited on the issue date (i) if the Global Notes are intended to be issued in new global note ("<b>NGN</b>") form, as stated in the applicable Final Terms, with a common safekeeper (the "<b>Common Safekeeper</b>") on behalf of Euroclear Bank SA/NV ("<b>Euroclear</b>") and Clearstream Banking S.A. ("<b>Clearstream, Luxembourg</b>"); and (ii) if the Global Notes are not intended to be issued in NGN form, with a common depository (the "<b>Common Depository</b>") on behalf of Euroclear and Clearstream, Luxembourg. The provisions governing the exchange of interests in Global Notes for other Global Notes and Definitive Notes (as defined under "<i>Summary of Provisions Relating to the Notes While in Global Form</i>") are described in "<i>Summary of Provisions Relating to the Notes While in Global Form</i>".</p> <p>Each Tranche of Registered Notes will be represented by registered certificates (each a "<b>Certificate</b>"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Tranche.</p> <p>Registered Notes which are sold in an "offshore transaction" within the meaning of Regulation S ("<b>Regulation S Registered Notes</b>") will be registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg or, if such Regulation S Registered Notes are intended to be held under the new safe-keeping structure (the "<b>NSS</b>"), in the name of a nominee of a Common Safekeeper on its issue date. Regulation S Registered Notes will initially be represented by a global unrestricted Certificate (a "<b>Regulation S Global Certificate</b>") and will be deposited with a Common Depository or, if such Regulation S Global Certificate is intended to be held under the NSS, a Common Safekeeper, as the case may be, on its issue date. Beneficial interests in a Regulation S Registered Note will be shown on, and transfers thereof will be effected only through, records maintained by, Euroclear and Clearstream, Luxembourg and their participants.</p> <p>Registered Notes which are sold to qualified institutional buyers within the meaning of Rule 144A, as referred to, and subject to the transfer restrictions described, in "<i>Subscription and Sale</i>" and "<i>Transfer Restrictions</i>" ("<b>DTC Registered Notes</b>"), will be registered in the name of a nominee of The Depository Trust Company ("<b>DTC</b>") on their issue date. DTC Registered Notes will initially be represented by a global restricted Certificate (a "<b>DTC Restricted Global Certificate</b>" and, together with the Regulation S Global Certificates, the "<b>Global Certificates</b>") and will be deposited with a custodian for DTC. Beneficial interests in a DTC Registered Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants.</p> <p>Individual definitive Certificates will only be available in certain limited circumstances as described in "<i>Summary of Provisions Relating to the Notes While in Global Form</i>".</p>
Maturities:	Subject to any applicable laws, any maturity as specified in the applicable Final Terms.
Issue Price:	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.

Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Final Terms.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined separately for each Series as follows:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li> <li>(ii) subject to the application of (A) the fallbacks described in Condition 4(b)(ii)(B) and (B) the benchmark discontinuation provision described in Condition 4(b)(ii)(D), on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.</li> </ul> <p>The margin (if any) relating to such floating rate will be specified in the applicable Final Terms for each Series of Floating Rate Notes.</p>
CMS Linked Notes:	<p>Subject to the application of (A) the fallbacks described in Condition 4(b)(ii)(C) and (B) the benchmark discontinuation provision described in Condition 4(b)(ii)(D), CMS Linked Notes will bear interest at a rate determined separately for each Series on the basis of a reference swap rate appearing on the agreed screen page of a commercial quotation service.</p> <p>The margin (if any) relating to such reference swap rate will be specified in the applicable Final Terms for each Series of CMS Linked Notes.</p>
Inflation Linked Notes:	<p>Payments of interest and/or principal in respect of Inflation Linked Notes will be calculated by reference to an Index Ratio, derived from either:</p> <ul style="list-style-type: none"> <li>(i) the U.K. Retail Price Index (the “<b>RPI</b>”) (all items) published by the Office of National Statistics or the relevant successor index; or</li> <li>(ii) the non-revised Harmonised Index of Consumer Prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco published by Eurostat (the “<b>HICP</b>”).</li> </ul>
Other provisions in relation to Floating Rate Notes, CMS Linked Notes and Inflation Linked Interest Notes:	Floating Rate Notes, CMS Linked Notes and Inflation Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes, CMS Linked Notes and Inflation Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Exempt Notes:	The Issuer may agree with any Dealer and the Trustee that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable Pricing Supplement.
Retained Notes:	If so specified in the applicable Final Terms, Notes may be immediately purchased by or on behalf of the Issuer upon issue. Any Notes so purchased are referred to as “ <b>Retained Notes</b> ”. A custodian will be appointed by the Issuer or a member of its Group and specified in the applicable Final Terms (the “ <b>Custodian</b> ”) to hold any Retained Notes on behalf of the Issuer (or such Group member) on the terms of a custody agreement to be entered into between the Issuer, the Trustee and the Custodian at the time of such Custodian’s appointment (each, a “ <b>Custody Agreement</b> ”).

Retained Notes will not be treated as outstanding when determining quorum or voting at meetings of Noteholders or for the purposes of passing a resolution in writing or the giving of consent by way of electronic consents but will count towards the Programme limit of €30,000,000,000 referred to above.

The Issuer may, subject to applicable laws and regulations, sell or dispose of (or procure the sale or disposal of) any Retained Notes at any time and on any terms. Upon sale or disposal to a third party investor, the Retained Notes will cease to be Retained Notes. Notes which have ceased to be Retained Notes shall carry the same rights and be subject in all respects to the same conditions as other Notes of the same Series.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or, in the case of Inflation Linked Notes only, for reasons linked to the relevant Index) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

Unless otherwise permitted by then current laws and regulations, Notes which have a maturity of less than one year are subject to restrictions on their denomination and distribution, see "*Certain Restrictions*" above.

Denomination of Notes:

Subject to a minimum denomination for Notes (other than in the case of Exempt Notes) issued under the Programme of €100,000 (or its equivalent in any other currency), Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer. See "*Certain Restrictions*" above.

Taxation:

Payments in respect of the Notes will be made without withholding or deduction for or on account of taxes of the jurisdiction of incorporation of the Issuer to the extent described under "*Terms and Conditions of the Notes — Condition 8 Taxation*". If any such withholding or deduction is required by law the Issuer will pay additional amounts in respect of such withholding or deduction, subject to the exceptions described in "*Terms and Conditions of the Notes — Condition 8 Taxation*". In circumstances described in "*Terms and Conditions of the Notes – Condition 15(b)*" another entity may be substituted for or acquire the rights and obligations of the Issuer under the Notes. In such case, payments in respect of the Notes will be made without withholding or deduction for or on account of taxes of the jurisdiction of incorporation of such entity unless the withholding or deduction is required by law, in which case the substituted entity will pay additional amounts in respect of such withholding or deduction, subject to certain exceptions.

Negative Pledge:

The terms of the Notes will not contain a negative pledge.

Events of Default:

The terms of the Notes will contain, amongst others, the following events of default:

- (a) default in payment of any principal or interest due in respect of the Notes, continuing for the respective periods of time specified in Condition 10(A);
- (b) non-performance or non-observance by the Issuer of any of its other obligations under the Terms and Conditions of the Notes or the Trust Deed continuing for the period of time specified in Condition 10(A);
- (c) a cross-acceleration provision in respect of Indebtedness for Borrowed Money of the Issuer as further described in Condition 10(A); and
- (d) certain events relating to the insolvency or winding up of the Issuer.

Status of the Notes:	The Notes will constitute direct, unconditional, and unsecured obligations of the Issuer and will rank <i>pari passu</i> , without any preference among themselves, with all other, present and future, outstanding unsecured and unsubordinated obligations of the Issuer (other than obligations preferred by law).
Listing and admission to trading:	<p>Application has been made to the FCA for Notes (other than Exempt Notes) issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the Market.</p> <p>Application has also been made for Exempt Notes issued under the Programme to be admitted to trading on the ISM of the London Stock Exchange. The Programme provides that Exempt Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets (other than a stock exchange or market which is a regulated market for the purposes of MiFID II) as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Exempt Notes and/or Exempt Notes not admitted to trading on any stock exchange or market.</p> <p>In the case of Exempt Notes, the applicable Pricing Supplement will state whether or not the relevant Notes will be so listed and/or admitted to trading.</p>
Governing Law:	The Notes, and any non-contractual obligations arising out of or in connection with them, will be governed by, and construed in accordance with, English law.
Clearing Systems:	Clearstream, Luxembourg and Euroclear in relation to any Tranche of Bearer Notes and Clearstream, Luxembourg, Euroclear and DTC in relation to any Tranche of Registered Notes or, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Principal Paying Agent, the Trustee, the relevant Dealer and, as the case may be, the Registrar, as specified in the applicable Final Terms.
Selling Restrictions:	<p>There are restrictions on the offer, sale and transfer of the Notes in the United Kingdom, the United States, the European Economic Area (including, for these purposes, the United Kingdom), France, Italy, Japan, the PRC, Australia, Hong Kong, Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see “<i>Subscription and Sale</i>” below).</p> <p>The conditions set forth in Rule 903(b)(2) under the Securities Act, referred to as “Category 2”, shall apply for the purposes of Regulation S under the Securities Act.</p> <p>Registered Notes may be offered and sold in compliance with Rule 144A under the Securities Act.</p> <p>Bearer Notes and Exchangeable Bearer Notes will be issued in compliance with U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (or any successor section that is substantially identical thereto) (“<b>TEFRA D</b>”) unless the applicable Final Terms state that such Notes are issued in circumstances in which such Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“<b>TEFRA</b>”), which circumstances will be referred to in the applicable Final Terms as a transaction to which TEFRA is not applicable.</p>
Transfer Restrictions:	There are restrictions on the transfer of certain Notes (see “ <i>Transfer Restrictions</i> ”).



# Summary of Provisions Relating to the Notes While in Global Form

## Initial Issue of Notes

Upon:

- (A) in the case of a Tranche of Bearer Notes, the initial deposit of the relative Global Note with (i) if the relevant Global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, a Common Safekeeper for Euroclear and Clearstream, Luxembourg or (ii) if the relevant Global Note is not intended to be issued in NGN form, a Common Depositary for Euroclear and Clearstream, Luxembourg; or
- (B) in the case of a Tranche of Registered Notes, the registration of the relevant Registered Notes in the name of any common nominee for Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper (in the case of Regulation S Global Certificates intended to be held under the NSS) or in the name of a nominee of DTC and delivery of the relative Global Certificate to the Common Depositary or the Common Safekeeper or the custodian for DTC, as the case may be.

Euroclear, Clearstream, Luxembourg or DTC, as the case may be, will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. Where a Global Note issued in respect of any Tranche is in NGN form or is a Regulation S Global Certificate intended to be held under the NSS, Euroclear and Clearstream, Luxembourg will be notified whether or not such Global Note or Regulation S Global Certificate, as the case may be, is intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Note or Regulation S Global Certificate, as the case may be, is to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

References herein to Euroclear and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Issuing and Principal Paying Agent and the Trustee and specified in the applicable Final Terms.

## Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, DTC or such other clearing system, as the case may be, for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of such Global Certificate, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such clearing system, as the case may be. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of such Global Certificate, as the case may be, in respect of each amount so paid.

## Exchange

### *Temporary Global Notes*

On and after the date (the “**Exchange Date**”) which is 40 days after the Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable, free of charge to the holder, in whole or in part upon certification as to non-U.S. beneficial ownership (in a form to be provided) either for (i) interests in a Permanent Global Note or (ii) if so provided in the applicable Final Terms, for Definitive Notes (as indicated in the applicable Final Terms and, subject in the case of Definitive Notes, to such notice period as is specified in the applicable Final Terms). In relation to any issue of Notes which is represented by a Temporary Global Note and which is expressed to be exchangeable for Definitive Notes at the option of Noteholders, such Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and multiples thereof.

Each Temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Terms and Conditions of the Notes, in addition to any Permanent Global Note or Definitive Notes for which it may be exchangeable, and before the Exchange Date will also be exchangeable in whole or in part for Registered Notes only. Any such exchange shall occur not later than five days after the date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Principal Paying Agent is located and in the city in which the relevant clearing system is located.

### ***Permanent Global Notes***

Each Permanent Global Note will be exchangeable, free of charge to the holder, in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes*” below, in part for Definitive Notes either (i) if specified in the applicable Final Terms, upon not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Issuing and Principal Paying Agent as described therein or (ii) only upon the occurrence of an Exchange Event, as provided in the applicable Final Terms. In relation to any issue of Notes which is represented by a Permanent Global Note and which is expressed to be exchangeable for Definitive Notes at the option of the Noteholders, such Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and multiples thereof.

For these purposes, “**Exchange Event**” means, unless otherwise specified in the applicable Final Terms, that (i) an Event of Default (as defined in Condition 10(A)) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the Issuer is or will become obliged to pay additional amounts as provided for or referred to in Condition 8 which would not be required were the Notes represented by the Permanent Global Note in definitive form and a certificate to such effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Issuing and Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Issuing and Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Issuing and Principal Paying Agent.

Each Permanent Global Note that is also an Exchangeable Bearer Note will, subject to Condition 2(f), be exchangeable, free of charge to the holder, in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes*”, in part for Registered Notes by the holder giving notice to the Issuing and Principal Paying Agent of its election to exchange the whole or a part, as the case may be, of such Permanent Global Note for Registered Notes. Any such exchange shall occur not later than five days after the date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Principal Paying Agent is located and in the city in which the relevant clearing system is located.

Bearer Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

The following legend will appear on all permanent and definitive Bearer Notes and Exchangeable Bearer Notes which have an original maturity of more than one year and on all Coupons and Talons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

### ***Partial Exchange of Permanent Global Notes***

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Registered Notes if the Permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes.

## **Global Certificates**

Interests in a Global Certificate will be exchangeable, free of charge to the holder, in whole but not, except as provided below, in part for definitive Certificates only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means, unless otherwise specified in the applicable Final Terms, that (i) an Event of Default has occurred and is continuing, (ii) in the case of DTC Registered Notes, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (iii) in the case of Regulation S Registered Notes, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iv) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Global Certificate in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 below if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Certificate) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

If the Final Terms state that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear, Clearstream, Luxembourg, DTC or any alternative clearing system. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) below may only be made in part:

- (i) if the relevant clearing system has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system satisfactory to the Trustee is available; or
- (ii) an Event of Default has occurred and is continuing; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the registered holder has given the Registrar not less than 30 days’ notice at its specified office of the registered holder’s intention to effect such a transfer. Where a Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be a Global Certificate unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or any alternative clearing system.

## **Delivery of Notes**

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Principal Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. In this Prospectus, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of any Global Note, the Issuer will procure that it is cancelled.

## **Payments**

No payment falling due after the Exchange Date will be made on any Temporary Global Note unless, upon due certification, exchange for an interest in a Permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any

Temporary Global Note issued in compliance with U.S. Treas. Reg § 1.163-5(c)(2)(i)(D) (or any successor section that is substantially identical thereto) ("**TEFRA D**") before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership (in a form to be provided). All payments in respect of Notes represented by a Global Note will, if the Global Note is not intended to be issued in NGN form, be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Principal Paying Agent or any other Paying Agent. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

In the case of a Global Certificate, with respect to the definition of "Record Date" in Condition 6(c)(ii), the words "on the fifteenth day before" shall be deemed to be deleted and replaced by "on the Clearing System Business Day before" where "**Clearing System Business Day**" means any day other than (i) Saturdays and Sundays and (ii) 1 January and 25 December.

The holder of a Global Note or a Global Certificate shall be the only person entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note or Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note or Global Certificate.

### Meetings

The holder of a Global Note or of the Notes represented by a Global Certificate shall be treated as being one person for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.

### Partial Redemption

In the case of a partial redemption of Notes represented by a Global Note, the Notes to be redeemed ("**Redeemed Notes**") will be selected in accordance with the rules of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in their nominal amount, at their discretion) and/or DTC, as applicable, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). The aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

### Notices

Until such time as any Definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, be substituted for publication in a newspaper in accordance with Condition 14 the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC for communication by them to their entitled accountholders and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange or any other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or any other relevant authority. Any such notice shall be deemed to have been given on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC.

Whilst any of the Notes are represented by a Global Note, notices to be given by any Noteholder may be given to the Issuing and Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Issuing and Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

### Noteholders' Options

Any option of the Noteholders provided for in the Terms and Conditions of any Notes while such Notes are represented by a Global Note may be exercised by the holder of the Global Note giving notice to the Issuing and Principal Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Terms and Conditions of the Notes substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the

option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Global Note to the Issuing and Principal Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Principal Paying Agent, for notation.

#### **Trustee's Powers**

In considering the interests of Noteholders while any Global Note is held on behalf of, or a Global Certificate is registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Global Certificate and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

# Form of Final Terms

## **[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET**

– Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended) ("MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[s/s] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s/s] target market assessment) and determining appropriate distribution channels.]

**[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA [AND UNITED KINGDOM] RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") [or the United Kingdom ("UK")]. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended) ("MiFID II")][MiFID II]; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended) (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA [or in the UK] has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA [or in the UK] may be unlawful under the PRIIPs Regulation.]

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are capital markets products other than prescribed capital market products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>1</sup>

[Amounts payable under the Notes will be calculated by reference to [ ] which is provided by [ ]. As at the date of these Final Terms, [ ] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011.

[As far as the Issuer is aware, [ ] [does not fall within the scope of Regulation (EU) 2016/1011 by virtue of Article 2 of that regulation/the transitional provisions in Article 51 of Regulation (EU) 2016/1011 apply] such that [ ] is not currently required to obtain authorisation or registration (or, if located outside the European Union [or the UK], recognition, endorsement or equivalence).]

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes (other than Exempt Notes) issued under the Programme.*

[Date]

**Vodafone Group Plc**  
**Legal Entity Identifier (LEI): 213800TB53ELEUKM7Q61**  
**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**  
**under the €30,000,000,000**  
**Euro Medium Term Note Programme**

## **PART A – CONTRACTUAL TERMS**

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<sup>1</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated [date] [and the supplementary prospectus(es) dated [ ]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplementary prospectus(es)] [has] [have] been published on the website of [the [Issuer] at [ ] [and] [the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)].]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the [Prospectus] dated [original date] which are incorporated by reference in the Prospectus dated [current date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and must be read in conjunction with the Prospectus dated [current date] [as supplemented by [a] supplementary prospectus(es) dated [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus dated [current date] [as so supplemented]. The Prospectus [and supplementary prospectus(es)] [has] [have] been published on the website of [the [Issuer] at [ ] [and] [the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)].]

1. Issuer: Vodafone Group Plc
2. [(i)] Series Number: [ ]
- [(ii)] Tranche Number: [ ]
- [(iii)] Date on which the Notes will be consolidated and form a single Series: [ ]/[Not Applicable]
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:
  - Series: [ ] [of which [ ] [are/will, on the Issue Date, be] Retained Notes]
  - Tranche: [ ] [of which [ ] [are/will, on the Issue Date, be] Retained Notes]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
6. (i) Specified Denomination(s): [ ]
 

[[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]
- [(ii)] Calculation Amount: [ ]
7. [(i)] [Issue Date [and Interest Commencement Date]: [ ]]
- [(ii)] [Interest Commencement Date (if different from the Issue Date): [ ]]
8. Maturity Date: [ ]/[Interest Payment Date falling in or nearest to [ ]]
9. Interest Basis: [[ ] per cent. Fixed Rate]

- [[ ] month [[ ] LIBOR/EURIBOR/TIBOR/CDOR/JIBAR] +/- [ ] per cent. Floating Rate]  
 [Zero Coupon]  
 [CMS Linked]  
 [Inflation Linked Interest]  
 (see paragraph [14]/[15]/[16]/[17]/[18] below)
10. Redemption Basis: [Redemption at par]  
 [Inflation Linked Redemption]
11. Change of Interest Basis or Redemption Basis: [ ] [Not Applicable]
12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [Change of Control Put Option]  
 [(see paragraph [19]/[20]/[21] below)]  
 [Not Applicable]
13. Date of [Board] approval[s] for issuance of Notes: [ ]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date
- (iii) [Interest Payment Date Adjustment: [Applicable/Not Applicable]]
- (iv) [Additional Business Centre(s): [ ] [Not Applicable]]
- (v) Fixed Coupon Amount(s): [[ ] per Calculation Amount][Not Applicable]
- (vi) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]]  
 [Not Applicable]
- (vii) Fixed Day Count Fraction: [Actual/Actual (ICMA)] [30/360] [Actual/365 (Fixed)]
- (viii) Determination Date: [[ ] in each year] [Not Applicable]
15. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(ii) below
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (iii) Additional Business [ ] [Not Applicable]



Centre(s):

- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Issuing and Principal Paying Agent): [ ] [Not Applicable]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [ ] month [[ ] LIBOR/EURIBOR/TIBOR/CDOR/JIBAR]
- Relevant Screen Page: [ ]
- (vii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]
- (viii) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (ix) Margin(s): [+/-] [ ] per cent. per annum
- (x) Minimum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
- (xi) Maximum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
- (xii) Day Count Fraction: [Actual/Actual] [Actual/Actual-ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]

16. **Zero Coupon Note Provisions** [Applicable/Not Applicable]

- (i) Accrual Yield: [ ] per cent. per annum
- [(ii) Reference Price: [ ]]
- (iii) Day Count Fraction in relation to Early Redemption Amounts and late payment: [30/360]  
[Actual/360]  
[Actual/365]

17. **CMS Linked Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 17(ii) below
  - (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
  - (iii) Additional Business Centre(s): [ ][Not Applicable]
  - (iv) Interest Determination Date(s): [ ]
  - (v) Calculation Agent: [ ]
  - (vi) Party responsible for calculating the Interest Amount (if not the Issuing and Principal Paying Agent): [ ][Not Applicable]
  - (vii) Relevant Financial Centre: [ ]
  - (viii) Relevant Time: [ ]
  - (ix) Reference Currency: [ ]
  - (x) Reference Rate: [CMS Rate]
  - (xi) CMS Designated Maturity: [ ]
  - (xii) Relevant Screen Page: [ ]
  - (xiii) Margin(s): [+/-] [ ] per cent. per annum
  - (xiv) [Gearing Factor: [ ]]
  - (xv) Minimum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
  - (xvi) Maximum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
  - (xvii) Day Count Fraction: [Actual/Actual] [Actual/Actual-ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]
18. **Inflation Linked Interest Note Provisions** [Applicable/Not Applicable]
- (i) Index: [RPI/HIPC]
  - (ii) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 18(iii) below

(iii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
(iv)	Additional Business Centre(s):	[ ] [Not Applicable]
(v)	Rate of Interest:	[ ] per cent. per annum, subject to adjustment in accordance with Condition 5, payable in arrear on each Interest Payment Date
(vi)	Calculation Agent:	[ ]
(vii)	Party responsible for calculating the Interest Amount (if not the Issuing and Principal Paying Agent):	[ ] [Not Applicable]
(viii)	Provisions for determining Interest Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted:	Condition(s) [5(c) to 5(e)/5(i)] apply
(ix)	Minimum Indexation Factor:	[ ] [Not Applicable]
(x)	Maximum Indexation Factor:	[ ] [Not Applicable]
(xi)	Limited Indexation Month(s) or period for calculation of Limited Indexation Factor:	[ ] [Not Applicable]
(xii)	Base Index [Figure/Level] (Condition 5[(a)/(g)]):	[ ]
(xiii)	Day Count Fraction:	[Actual/Actual] [Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(xiv)	"Index Figure" (Condition 5(a)):	Sub-paragraph [(i)/(ii)/(iii)] of the definition of "Index" or "Index Figure" as set out in Condition 5(a) shall apply][Not Applicable]
(xv)	Reference Gilt:	[ ] [Not Applicable]
(xvi)	Minimum Rate of Interest:	[ ] per cent. per annum][Not Applicable]
(xvii)	Maximum Rate of Interest:	[ ] per cent. per annum][Not Applicable]

## PROVISIONS RELATING TO REDEMPTION

19. **Issuer Call** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount: [Par Call - [ ] per Calculation Amount] [Make Whole Redemption Price] [in the case of the Optional Redemption Date[s] falling [on [ ]]/[in the period from and including [date] to but excluding [date]]]
- (iii) Make Whole Redemption Price: [Spens Amount/Make Whole Redemption Amount/Not Applicable]
- Redemption Margin: [ ]
- Reference Bond: [ ]
- Quotation Time: [ ]
- (iv) If redeemable in part:
- (a) Minimum Redemption Amount: [ ]
- (b) Higher Redemption Amount: [ ]
- (v) Issuer Call Period: [ ]
20. **Investor Put** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount: [ ] per Calculation Amount
- (iii) Investor Put Period: [ ]
21. **Change of Control Put Option** [Applicable/Not Applicable]
- (i) Optional Redemption Amount: [ ] per Calculation Amount
- (ii) Put Period: [ ]
- (iii) Put Date: [ ]
22. **Final Redemption Amount** [[ ] per Calculation Amount]
- In cases where the Final Redemption

Amount is Inflation Linked:

- |       |   |  |
|-------|---|--|
| (i)   | Index:  | [RPI/HIPC]   |
| (ii)  | Calculation Agent:  | [     ]  |
| (iii) | Provisions for determining Final Redemption Amount where calculated by reference to Index:  | The Final Redemption Amount per Note shall be its outstanding nominal amount adjusted in accordance with Condition 5 |
| (iv)  | Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: | Condition(s) [5(c) to 5(e) / 5(i)] shall apply   |
| (v)   | Reference Gilt:   | [     ] [Not Applicable]   |

**23. Early Redemption Amount**

Early Redemption Amount payable on [     ] per Calculation Amount redemption for taxation reasons or on event of default or other early redemption:

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

**24. Form of Notes:**

- |     |                  |  |
|-----|------------------|--|
| (a) | Form:            | <p><b>[Bearer Notes/Exchangeable Bearer Notes/Registered Notes]</b></p> <p>[Bearer Notes/Exchangeable Bearer Notes:</p> <p>[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]</p> <p>[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]</p> <p>[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]]</p> <p>[Registered Notes:</p> <p>[Regulation S Global Certificate [and] [DTC Restricted Global Certificate] exchangeable for definitive Certificate only upon an Exchange Event]</p> |
| (b) | New Global Note: | [Yes] [No]   |

25. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/[     ]]

26. Talons for future Coupons to be [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on

attached to Definitive Notes (and exchange into definitive form, more than 27 coupon payments are still to be made/No] dates on which such Talons mature):

**[PROVISIONS RELATING TO RMB NOTES**

27. Renminbi Currency Event: [Applicable/Not Applicable]

28. Calculation Agent: [ ] [Not Applicable]

**Third Party Information**

[ ] has been extracted from [ ].] The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to Trading:

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market with effect from [ ].]/[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market with effect from [ ].]
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. Ratings:

[The Notes to be issued have been rated:  
[S&P: [ ]]  
[Moody's: [ ]]  
[Fitch: [ ]]  
*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*  
[The Notes to be issued have not been rated]

### 3. Interests of Natural and Legal Persons Involved in the Issue:

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

### 4. [Reasons for the offer/use of proceeds, estimated net proceeds and total expenses

- [[i) Reasons for the offer/use of proceeds: [ ] [Green Projects]]
- [[ii) Estimated net proceeds: [ ]]
- [[iii) Estimated total expenses: [ ]]

### 5. [Fixed Rate Notes only - Yield:

Indication of yield: [ ]

### 6. [Performance of index and other information concerning the index:

- (i) Name of underlying index: [U.K. Retail Price Index ("RPI") (all items) published by the Office of National Statistics] / [non-revised Harmonised Index of Consumer Prices excluding tobacco, measuring the rate of inflation in the European Monetary Union excluding tobacco published by Eurostat ("HICP")]
- (ii) Information about the Index, its volatility and past and future performance can be obtained from: Information on [RPI/HICP] can be found at [www.statistics.gov.uk / www.epp.eurostat.ec.europa.eu]

The Issuer [intends to provide post-issuance information [ ] / [does not intend to provide post-issuance information].

## 7. TEFRA Rules

Whether TEFRA D applicable or [TEFRA D/TEFRA not applicable]  
TEFRA rules not applicable:

## 8. Operational Information:

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) CFI: [[See/[[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (iv) FISN: [[See/[[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) CUSIP: [ ]
- (vi) CINS: [ ]
- (vii) Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC (together with the address of each such clearing system) and the relevant identification number(s): [Not Applicable/[ ]]
- (viii) Custodian for Retained Notes: [Not Applicable/[ ]]
- (ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking S.A. [(together, the "ICSDs")] as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][include this text for registered notes] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking S.A. [(together, the "ICSDs")] as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]



(x)	Prohibition of Sales to EEA [and UK] Retail Investors:	[Applicable/Not Applicable]
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# Form of Pricing Supplement

[MIFID II PRODUCT GOVERNANCE / TARGET MARKET – [ ]]

**[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA [AND UNITED KINGDOM] RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”) [or the United Kingdom (“UK”)]. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended) (“MiFID II”)] [MiFID II]; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended) (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA [or in the UK] has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA [or in the UK] may be unlawful under the PRIIPs Regulation.]

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE “SFA”)** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).<sup>2</sup>

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, subject to the deletion of non-applicable provisions and the inclusion of additional applicable provisions:*

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 (THE “PROSPECTUS REGULATION”) FOR THE ISSUE OF NOTES DESCRIBED BELOW. THE FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.**

[Date]

Vodafone Group Plc  
[Legal Entity Identifier (LEI): 213800TB53ELEUKM7Q61]  
Issue of [Aggregate Nominal Amount of Tranche] [Title of Exempt Notes]  
under the €30,000,000,000  
Euro Medium Term Note Programme

## PART A – CONTRACTUAL TERMS

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated [date] [and the supplementary prospectus(es) dated [ ]]. This document must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus [as so supplemented]. The Prospectus [and the supplementary prospectus(es)] [has] [have] been published on the website of [the [Issuer] at [ ] [and] [the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)]] and copies may be obtained during normal business hours from [ ].]

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<sup>2</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the [Prospectus] dated [original date] which are incorporated by reference in the Prospectus dated [current date]. This document must be read in conjunction with the Prospectus dated [current date] [as supplemented by [a] supplementary prospectus[es] dated [date]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus dated [current date] [as so supplemented]. The Prospectus [and supplementary prospectus[es]] [has] [have] been published on the website of [the [Issuer] at [ ] [and] [the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)] and copies may be obtained during normal business hours from [ ].]

1. Issuer: Vodafone Group Plc
2. [(i)] Series Number: [ ]  
 [(ii)] Tranche Number: [ ]  
 [(iii)] Date on which the Notes will be consolidated and form a single Series: [ ]/[Not Applicable]
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:  
 – Series: [ ] [of which [ ] [are/will, on the Issue Date, be] Retained Notes]  
 – Tranche: [ ] [of which [ ] [are/will, on the Issue Date, be] Retained Notes]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
6. (i) Specified Denomination(s): [ ]  
 [[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]  
 (ii) Calculation Amount: [ ]
7. [(i)] [Issue Date [and Interest Commencement Date]: [ ]]  
 (ii) [Interest Commencement Date (if different from the Issue Date): [ ]]
8. Maturity Date: [ ]/[Interest Payment Date falling in or nearest to [ ]]
9. Interest Basis: [[ ] per cent. Fixed Rate]  
 [[ ] month [[ ] LIBOR/EURIBOR/TIBOR/CDOR/JIBAR] +/- [ ] per cent. Floating Rate]  
 [Zero Coupon]  
 [CMS Linked]  
 [Inflation Linked Interest]  
 (see paragraph [14]/[15]/[16]/[17]/[18] below)
10. Redemption Basis: [Redemption at par]  
 [Inflation Linked Redemption]

11. Change of Interest Basis or Redemption Basis: [ ] [Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Change of Control Put Option]  
[(see paragraph [19]/[20]/[21] below)]  
[Not Applicable]
13. Date of [Board] approval[s] for issuance of Notes: [ ]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date
- (iii) [Interest Payment Date Adjustment: [Applicable/Not Applicable]]
- (iv) [Additional Business Centre(s): [ ] [Not Applicable]]
- (v) Fixed Coupon Amount(s): [[ ] per Calculation Amount][Not Applicable]
- (vi) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]]  
[Not Applicable]
- (vii) Fixed Day Count Fraction: [Actual/Actual (ICMA)] [30/360] [Actual/365 (Fixed)]
- (viii) Determination Date: [[ ] in each year] [Not Applicable]
15. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(ii) below
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (iii) Additional Business Centre(s): [ ] [Not Applicable]
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate of [ ] [Not Applicable]

Interest and Interest Amount  
(if not the Issuing and  
Principal Paying Agent):

- (vi) Screen Rate Determination: [Applicable/Not Applicable]
  - Reference Rate: [ ] month [[ ] LIBOR/EURIBOR/TIBOR/CDOR/JIBAR]
  - Relevant Screen Page: [ ]
- (vii) ISDA Determination: [Applicable/Not Applicable]
  - Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (viii) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (ix) Margin(s): [+/-] [ ] per cent. per annum
- (x) Minimum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
- (xi) Maximum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
- (xii) Day Count Fraction: [Actual/Actual] [Actual/Actual-ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]

16. **Zero Coupon Note Provisions** [Applicable/Not Applicable]

- (i) Accrual Yield: [ ] per cent. per annum
- [(ii) Reference Price: [ ]]
- (iii) Day Count Fraction in relation to Early Redemption Amounts and late payment: [30/360]  
[Actual/360]  
[Actual/365]

17. **CMS Linked Note Provisions** [Applicable/Not Applicable]

- (i) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 17(ii) below
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]

- (iii) Additional Business Centre(s): [ ] [Not Applicable]
- (iv) Interest Determination Date(s): [ ]
- (v) Calculation Agent: [ ]
- (vi) Party responsible for calculating the Interest Amount (if not the Issuing and Principal Paying Agent): [ ] [Not Applicable]
- (vii) Relevant Time: [ ]
- (viii) Relevant Financial Centre: [ ]
- (ix) Reference Currency: [ ]
- (x) Reference Rate: [CMS Rate]
- (xi) CMS Designated Maturity: [ ]
- (xii) Relevant Screen Page: [ ]
- (xiii) Margin(s): [+/-] [ ] per cent. per annum
- (xiv) [Gearing Factor: [ ]]
- (xv) Minimum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]
- (xvi) Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]
- (xvii) Day Count Fraction: [Actual/Actual] [Actual/Actual-ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]

18. **Inflation Linked Interest Note Provisions** [Applicable/Not Applicable]

- (i) Index: [RPI/HIPC]
- (ii) Specified Period(s)/Specified Interest Payment Dates: [ ] in each year, subject to adjustment in accordance with the Business Day Convention specified in paragraph 18(iii) below
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
- (iv) Additional Business Centre(s): [ ] [Not Applicable]

- (v) Rate of Interest: [ ] per cent. per annum, subject to adjustment in accordance with Condition 5, payable in arrear on each Interest Payment Date
- (vi) Calculation Agent: [ ]
- (vii) Party responsible for calculating the Interest Amount (if not the Issuing and Principal Paying Agent): [ ][Not Applicable]
- (viii) Provisions for determining Interest Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: Condition(s) [5(c) to 5(e)/5(i)] apply
- (ix) Minimum Indexation Factor: [ ][Not Applicable]
- (x) Maximum Indexation Factor: [ ][Not Applicable]
- (xi) Limited Indexation Month(s) or period for calculation of Limited Indexation Factor: [[ ][Not Applicable]]
- (xii) Base Index [Figure/Level] (Condition 5[(a)/(g)]): [ ]
- (xiii) Day Count Fraction: [Actual/Actual] [Actual/Actual-ISDA]  
[Actual/365 (Fixed)]  
  
[Actual/365 (Sterling)]  
  
[Actual/360]  
  
[30/360] [360/360] [Bond Basis]  
  
[30E/360] [Eurobond Basis]  
  
[30E/360 (ISDA)]
- (xiv) "Index Figure" (Condition 5(a)): Sub-paragraph [(i)/(ii)/(iii)] of the definition of "Index" or "Index Figure" as set out in Condition 5(a) shall apply][Not Applicable]
- (xv) Reference Gilt: [ ][Not Applicable]
- (xvi) Minimum Rate of Interest: [[ ] per cent. per annum][Not Applicable]
- (xvii) Maximum Rate of Interest: [[ ] per cent. per annum][Not Applicable]

#### PROVISIONS RELATING TO REDEMPTION

19. **Issuer Call** [Applicable/Not Applicable]
- (i) Optional Redemption [ ]

Date(s):

(ii) Optional Redemption Amount: [Par Call - [ ] per Calculation Amount] [Make Whole Redemption Price] [in the case of the Optional Redemption Date[s] falling [on [ ]]/[in the period from and including [date] to but excluding [date]]]

(iii) Make Whole Redemption Price: [Spens Amount/Make Whole Redemption Amount/Not Applicable]

– Redemption Margin: [ ]

– Reference Bond: [ ]

– Quotation Time: [ ]

(iv) If redeemable in part:

(a) Minimum Redemption Amount: [ ]

(b) Higher Redemption Amount: [ ]

(v) Issuer Call Period: [ ]

20. **Investor Put** [Applicable/Not Applicable]

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount: [ ] per Calculation Amount

(iii) Investor Put Period: [ ]

21. **Change of Control Put Option** [Applicable/Not Applicable]

(i) Optional Redemption Amount: [ ] per Calculation Amount

(ii) Put Period: [ ]

(iii) Put Date: [ ]

22. **Final Redemption Amount** [[ ] per Calculation Amount]

In cases where the Final Redemption Amount is Inflation Linked:

(i) Index: [RPI/HIPC]

(ii) Calculation Agent: [ ]

(iii) Provisions for determining The Final Redemption Amount per Note shall be its outstanding nominal amount



- |      |   |  |
|------|---|--|
|      | Final Redemption Amount where calculated by reference to Index:   | adjusted in accordance with Condition 5        |
| (iv) | Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: | Condition(s) [5(c) to 5(e) / 5(i)] shall apply |
| (v)  | Reference Gilt:   | [     ] [Not Applicable]                       |

**23. Early Redemption Amount**

Early Redemption Amount payable on redemption for taxation reasons or on event of default or other early redemption: [     ] per Calculation Amount

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

**24. Form of Notes:**

- |     |                  |   |
|-----|------------------|---|
| (a) | Form:            | <b>[Bearer Notes/Exchangeable Bearer Notes/Registered Notes]</b>  |
|     |                  | [Bearer Notes/Exchangeable Bearer Notes:  |
|     |                  | [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event] |
|     |                  | [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]  |
|     |                  | [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]]   |
|     |                  | [Registered Notes:  |
|     |                  | [Regulation S Global Certificate [and] [DTC Restricted Global Certificate] exchangeable for definitive Certificate only upon an Exchange Event]                               |
| (b) | New Global Note: | [Yes] [No]  |

25. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/[     ]]

26. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

27. Additional terms and conditions: [Not Applicable/[     ]]

**[PROVISIONS RELATING TO RMB NOTES**

28. Renminbi Currency Event: [Applicable/Not Applicable]

29. Calculation Agent: [ ]

**Third Party Information**

[ ] has been extracted from [ ].] The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to Trading:

- (i) Listing: [Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the [specify] with effect from [ ].]/[Not Applicable]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify] with effect from [ ].]/[Application has been made for the Notes to be admitted to trading on the International Securities Market with effect from [ ].]/[Not Applicable]
- (iii) Estimate of total expenses related to admission to trading: [ ]

### 2. Ratings:

[The Notes to be issued have been rated:  
[S&P: [ ]]  
[Moody's: [ ]]  
[Fitch: [ ]]  
[The Notes to be issued have not been rated]

### 3. Interests of Natural and Legal Persons Involved in the Issue:

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

### 4. [Reasons for the offer/use of proceeds, estimated net proceeds and total expenses

- [[i) Reasons for the offer/use of proceeds: [ ] [Green Projects]]
- [[ii) Estimated net proceeds: [ ]]
- [[iii) Estimated total expenses: [ ]]

### 5. [Fixed Rate Notes only - Yield:

Indication of yield: [ ]

### 6. [Performance of index and other information concerning the index:

- (i) Name of underlying index: [U.K. Retail Price Index ("RPI") (all items) published by the Office of National Statistics] / [non-revised Harmonised Index of Consumer Prices excluding tobacco, measuring the rate of inflation in the European Monetary Union excluding tobacco published by Eurostat ("HICP")]
- (ii) Information about the Index, its volatility and past and future performance can be obtained from: Information on [RPI/HICP] can be found at [www.statistics.gov.uk / www.epp.eurostat.ec.europa.eu]

The Issuer [intends to provide post-issuance information [ ] / [does not intend to provide post-issuance information].

## 7. TEFRA Rules

Whether TEFRA D applicable or [TEFRA D/TEFRA not applicable]  
TEFRA rules not applicable:

## 8. Operational Information:

- |        |  |  |
|--------|--|--|
| (i)    | ISIN:  | [   ]  |
| (ii)   | Common Code:   | [   ]  |
| (iii)  | CFI:   | [[See/[[ <i>include code</i> ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]   |
| (iv)   | FISN:  | [[See/[[ <i>include code</i> ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]   |
| (v)    | CUSIP:   | [   ]  |
| (vi)   | CINS:  | [   ]  |
| (vii)  | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC (together with the address of each such clearing system) and the relevant identification number(s): | [Not Applicable/[   ]]   |
| (viii) | Custodian for Retained Notes:  | [Not Applicable/[   ]]   |
| (ix)   | Intended to be held in a manner which would allow Eurosystem eligibility:  | <p>[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking S.A. [(together, the “<b>ICSDs</b>”)] as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][<i>include this text for registered notes</i>] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]</p> <p>[No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking S.A. [(together, the “<b>ICSDs</b>”)] as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][<i>include this text for registered notes</i>]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]</p> |

(x) Prohibition of Sales to EEA [Applicable/Not Applicable]  
[and UK] Retail Investors:

# Terms and Conditions of the Notes

*The following are the Terms and Conditions of the Notes, that, subject to completion by the applicable Final Terms, shall be applicable to the Notes and/or Certificates in definitive form (if any) issued in exchange for the Global Note(s) and/or Global Certificates representing each Series. Either (i) the full text of the following Terms and Conditions together with the relevant provisions of the Final Terms or (ii) these Terms and Conditions as so completed (and subject to simplification by the disapplication of non-applicable provisions), shall be endorsed on such definitive Bearer Notes or on the definitive Certificates relating to Registered Notes. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. Reference should be made to "Summary of Provisions Relating to the Notes While in Global Form" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes. References in the following Terms and Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

Notes issued by Vodafone Group Plc (formerly called Vodafone AirTouch Plc) (the "**Issuer**") are constituted by a Trust Deed dated 16 July 1999 (such Trust Deed as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**", which expression shall include any successor as trustee).

The Notes and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement dated 5 July 2019 (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") made between the Issuer, HSBC Bank plc as issuing and principal paying agent and agent bank (the "**Issuing and Principal Paying Agent**", which expression shall include any successor issuing and principal paying agent), the other paying agents named therein (together with the Issuing and Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents), HSBC Bank USA, National Association as exchange agent (the "**Exchange Agent**", which expression shall include any successor exchange agent) and HSBC Bank USA, National Association as registrar (the "**Registrar**", which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression shall include any additional or successor transfer agent) and the Trustee.

The Noteholders (as defined below) and the holders (the "**Couponholders**") of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. References in these Terms and Conditions to "**Exempt Notes**" are to Notes for which no prospectus is required to be published under the Prospectus Regulation (as defined below).

If this Note is not an Exempt Note, the final terms for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note (the "**Final Terms**"). Part A of the Final Terms completes these Terms and Conditions for the purposes of this Note. References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof). If this Note is an Exempt Note, the pricing supplement for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note (the "**Pricing Supplement**"). Part A of the Pricing Supplement completes these Terms and Conditions for the purposes of this Note and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. In the case of Exempt Notes, any subsequent reference in these Terms and Conditions to "**Final Terms**" shall be deemed to include reference to "**Pricing Supplement**" so far as the context admits.

The Trustee acts for the benefit of the Noteholders and the Couponholders, (which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Issuer (being Vodafone House, The Connection, Newbury, Berkshire RG14 2FN) and of the Trustee (being at Fifth Floor, 100 Wood Street, London EC2V 7EX, England) and at the specified office of each of the Paying Agents. In addition, the applicable Final Terms will be available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange plc at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html) or otherwise published in accordance with

Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). If this Note is an Exempt Note, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Paying Agent for the time being in London as to the identity of such holder. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Words and expressions defined in the Trust Deed and/or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the Trust Deed, the Trust Deed shall prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

References herein to “**RMB Notes**” are to Notes denominated in Renminbi. References herein to “**Renminbi**”, “**RMB**” and “**CNY**” are to the lawful currency of the People’s Republic of China (the “**PRC**”) which, for the purposes of these Terms and Conditions, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan.

## **1. Form, Denomination and Title**

The Notes are issued in bearer form (“**Bearer Notes**”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“**Registered Notes**”) or in bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) in each case in the Specified Denomination(s) shown hereon.

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, CMS Linked Notes, Inflation Linked Interest Notes or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

The Notes may be redeemable at par or may be Inflation Linked Redemption Notes, depending on the Redemption Basis shown in the applicable Final Terms.

If this Note is an Exempt Note, this Note may include terms and conditions not contemplated by these Terms and Conditions, in which event the relevant provisions will be included in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons attached, unless they are Zero Coupon Notes, in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and Coupons will pass by delivery. Title to the Registered Notes will pass by registration in the register that the Issuer will procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). The Issuer, any Paying Agent, the Registrar, the Transfer Agents, the Exchange Agent and the Trustee may (to the fullest extent permitted by applicable laws) deem and treat the holder (as defined below) of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon (or on the Certificate representing it) or any notice of previous loss or theft of the Note or Coupon (or that of the related Certificate) or of trust or any interest therein) and shall not be required to obtain any proof thereof or as to the identity of such holder and no person shall be liable for so treating the holder.

In these Terms and Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note or Coupon) means the bearer of any Bearer Note or Coupon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them in the applicable Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

If so specified in the applicable Final Terms, some or all of the relevant Tranche of Notes may immediately be purchased by or on behalf of the Issuer on the Issue Date thereof. Such Notes are referred to as **"Retained Notes"**. Any Retained Notes may (in each case, together with the related Coupons and Talons, if applicable) be purchased by and held by or for the account of the Issuer or any Subsidiary of it and may be sold or otherwise disposed of in whole or in part by private treaty at any time, and shall cease to be Retained Notes to the extent of and upon such sale or disposal.

Retained Notes shall, pending sale or disposal by or on behalf of the Issuer, carry the same rights and be subject in all respects to the same terms and conditions as the other Notes of the relevant Series, except that Retained Notes will not be treated as outstanding for the purposes of determining quorum or voting at meetings of Noteholders, passing a resolution in writing, the giving of consent by way of electronic consents or of considering the interests of the Noteholders save as otherwise provided in the Trust Deed. Notes which have ceased to be Retained Notes shall carry the same rights and be subject in all respects to the same terms and conditions as the other Notes of the relevant Series.

Retained Notes will be held by a custodian appointed by the Issuer or any Subsidiary of it and specified in the applicable Final Terms (the **"Custodian"**). At the time of such appointment, the Issuer (or a relevant Subsidiary of it, as the case may be), the Trustee and the Custodian will enter into a custody agreement to specify how the Custodian will hold such Retained Notes on behalf of the Issuer.

## **2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes**

### **(a) Exchange of Exchangeable Bearer Notes**

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder (in substantially the same form set out in Schedule 4 of the Agency Agreement) and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(c)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

### **(b) Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

### **(c) Partial Redemption in Respect of Registered Notes**

In the case of a partial redemption of a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder in respect of the balance of the holding not redeemed. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

### **(d) Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) above shall only be available for delivery within three business days of receipt of the request for exchange, form of transfer or Change of Control Put Notice (as defined in Condition 7(d)) or Put Notice (as defined in Condition 7(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Change of Control Put Notice, Put Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Change of Control Put Notice, Put Notice or other in writing, be mailed by uninsured post



at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition (d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

**(e) Exchange or Transfer Free of Charge**

Exchange and transfer of Notes and Certificates on registration, transfer and exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

**(f) Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(c), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

**3. Status of the Notes**

The Notes and any relative Coupons are direct, unconditional and unsecured obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves, with all other, present and future, outstanding unsecured and unsubordinated obligations of the Issuer (other than obligations preferred by law).

**4. Interest**

**(a) Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date.

In the case of RMB Notes, if:

- (i) Interest Payment Date Adjustment is specified as applying in the applicable Final Terms; and
- (ii) (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) any Interest Payment Date would otherwise fall on a day which is not a Business Day,

then such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

**(b) Interest on Floating Rate Notes, CMS Linked Notes and Inflation Linked Interest Notes**

*(i) Interest Payment Dates*

Each Floating Rate Note, CMS Linked Note and Inflation Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an **"Interest Payment Date"**) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an **"Interest Payment Date"**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B), the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

*(ii) Rate of Interest for Floating Rate Notes and CMS Linked Notes*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms and, depending on the manner so specified, either Condition 4(b)(ii)(A) or Condition 4(b)(ii)(B) (as applicable) will apply to the Notes. The Rate of Interest payable from time to time in respect of CMS Linked Notes will be determined in accordance with Condition 4(b)(ii)(C).

**(A) ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **"ISDA Rate"** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Issuing and Principal Paying Agent under an interest

rate swap transaction if the Issuing and Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on LIBOR or on EURIBOR for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), (i) **"Floating Rate"**, **"Calculation Agent"**, **"Floating Rate Option"**, **"Designated Maturity"** and **"Reset Date"** have the meanings given to those terms in the ISDA Definitions, (ii) the definition of **"Banking Day"** in the ISDA Definitions shall be amended to insert after the words "are open for" in the second line the word "general" and (iii) **"Euro-zone"** means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Issuing and Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Issuing and Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4(b)(ii)(B)(1) above, no such offered quotation appears or, in the case of Condition 4(b)(ii)(B)(2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph above, the Issuing and Principal Paying Agent shall request each of the Reference Banks to provide the Issuing and Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, at approximately the Relevant Time, on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuing and Principal Paying Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Issuing and Principal Paying Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Issuing and Principal Paying Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Issuing and Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Issuing and Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time, on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is TIBOR, the Tokyo inter-bank market or, if the Reference Rate is CDOR, the Toronto inter-bank market or, if the Reference Rate is JIBAR, the Johannesburg inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuing and Principal Paying Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency

for a period equal to that which would have been used for the Reference Rate, at approximately the Relevant Time, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuing and Principal Paying Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is TIBOR, the Tokyo inter-bank market or, if the Reference Rate is CDOR, the Toronto inter-bank market or, if the Reference Rate is JIBAR, the Johannesburg inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(C) Rate of Interest for CMS Linked Notes

The Rate of Interest for each Interest Period will, subject as provided below, be determined by reference to the following formula:

$$[CMS\ Rate + Margin] \times Gearing\ Factor$$

Where:

**"CMS Rate"** means, subject as provided below, the Relevant Swap Rate (expressed as a percentage rate per annum) for swap transactions in the Reference Currency with a maturity of the CMS Designated Maturity which appears on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question, all as determined by the Calculation Agent and as specified in the applicable Final Terms.

**"Gearing Factor"** has the meaning specified in the applicable Final Terms.

**"Margin"** has the meaning specified in the applicable Final Terms.

If (for the purposes of determining the applicable CMS Rate) the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If three or more of the CMS Reference Banks provide the Calculation Agent such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest (or, if there is more than one highest quotation, one only of such quotations) and the lowest (or, if there is more than one lowest quotation, one only of such quotations).

If on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(D) Benchmark Discontinuation

This Condition 4(b)(ii)(D) applies only to (i) Floating Rate Notes where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and (ii) CMS Linked Notes.

(i) *Issuer Determination and Independent Adviser*

If a Benchmark Discontinuation Event occurs in relation to an Original Reference Rate at any time when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then:

- (a) the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer (acting in good faith and in a commercially reasonable manner) determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(b)(ii)(D)(iii)) and, in either case, an Adjustment Spread (in accordance with Condition 4(b)(ii)(D)(iii)) and any

Benchmark Amendments (in accordance with Condition 4(b)(ii)(D)(iv)), by no later than five Business Days prior to the first Interest Determination Date that (A) falls after the Benchmark Replacement Date relating to such Benchmark Discontinuation Event, and (B) relates to an Interest Period for which the Rate of Interest (or any component part thereof) is to be determined by reference to such Original Reference Rate (the “**IA Determination Cut-off Date**”); and

- (b) if the Issuer is unable to appoint an Independent Adviser prior to the relevant IA Determination Cut-off Date in accordance with Condition 4(b)(ii)(D)(i)(a), the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(b)(ii)(D)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4(b)(ii)(C)(iii)) and any Benchmark Amendments (in accordance with Condition 4(b)(ii)(D)(iv)), by no later than the first Interest Determination Date that (A) falls after the Benchmark Replacement Date relating to such Benchmark Discontinuation Event, and (B) relates to an Interest Period for which the Rate of Interest (or any component part thereof) is to be determined by reference to such Original Reference Rate.

An Independent Adviser appointed pursuant to this Condition 4(b)(ii)(D)(i) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Trustee, the Issuing and Principal Paying Agent, any Calculation Agent, any other agents under the Agency Agreement (together with the Issuing and Principal Paying Agent and any Calculation Agent, the “**Agents**” and each an “**Agent**”), the Noteholders or the Couponholders for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4(b)(ii)(D).

*(ii) Successor Rate or Alternative Rate*

If the Issuer (in accordance with Condition 4(b)(ii)(D)(i)) determines that:

- (a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes (subject to Condition 4(b)(ii)(D)(v) and to the further operation of this Condition 4(b)(ii)(D)); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(b)(ii)(D)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes (subject to Condition 4(b)(ii)(D)(v) and the further operation of this Condition 4(b)(ii)(D)).

*(iii) Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

If the Issuer (in accordance with Condition 4(b)(ii)(D)(i)) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then the Successor Rate or the Alternative Rate (as the case may be) will be used as described in Condition 4(b)(ii)(D)(ii) without application of any Adjustment Spread (subject to Condition 4(b)(ii)(D)(v) and the further operation of this Condition 4(b)(ii)(D)).

*(iv) Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(b)(ii)(D) and the Issuer (in accordance with Condition 4(b)(ii)(D)(i)) determines (a) that amendments to these Terms and Conditions, the Agency Agreement, (if applicable) any calculation agency agreement (a “**Calculation Agency Agreement**”) and/or the Trust Deed (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day or Relevant Screen Page) are necessary to follow market practice or to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (or any combination thereof) (such amendments, the “**Benchmark Amendments**”) and (b) the terms of the Benchmark Amendments, then the Issuer shall, subject to (A) Condition 4(b)(ii)(D)(v) and (B) giving notice thereof in accordance with Condition 4(b)(ii)(D)(vi), without any requirement for the consent or approval of the

Noteholders or the Couponholders, vary these Terms and Conditions, the Agency Agreement, the relevant Calculation Agency Agreement and/or the Trust Deed (as applicable) to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee and each of the Agents of a certificate signed by two Directors of the Issuer pursuant to Condition 4(b)(ii)(D)(vi), the Trustee and/or each relevant Agent (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders or the Couponholders, be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed and/or the Agency Agreement and/or the relevant Calculation Agency Agreement, as applicable) and neither the Trustee nor any Agent shall be liable to any party for any consequences thereof, provided that neither the Trustee nor any Agent shall be obliged so to concur if, in the sole opinion of the Trustee or the relevant Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee or the relevant Agent, as applicable, in these Terms and Conditions, the Trust Deed, the Agency Agreement or any Calculation Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way.

(v) *Benchmark Replacement Date*

Notwithstanding any other provision of this Condition 4(b)(ii)(D), following the occurrence of any Benchmark Discontinuation Event:

- (1) no Successor Rate or Alternative Rate shall be used in place of the relevant Original Reference Rate; and
- (2) no Adjustment Spread or Benchmark Amendments shall take effect,

until the first Interest Determination Date that (A) falls after the Benchmark Replacement Date relating to such Benchmark Discontinuation Event and (B) relates to an Interest Period for which the Rate of Interest (or any component part thereof) is to be determined by reference to the Original Reference Rate.

(vi) *Notification of Successor Rate, Alternative Rate, Adjustment Spread and any Benchmark Amendments*

Following a Benchmark Discontinuation Event and the determination of any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments pursuant to the provisions of this Condition 4(b)(ii)(D) (and in any event prior to any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments taking effect), the Issuer will promptly notify the Trustee, the Agents and, in accordance with Condition 14, the Noteholders, of any such Successor Rate, Alternative Rate, Adjustment Spread and/or the specific terms of any Benchmark Amendments so determined under this Condition 4(b)(ii)(D). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments (if any).

Prior to any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments taking effect, the Issuer shall deliver to the Trustee and the Agents a certificate signed by two Directors of the Issuer:

- (i) confirming (a) that a Benchmark Discontinuation Event and the related Benchmark Replacement Date have occurred, (b) the Successor Rate or, as the case may be, the Alternative Rate, (c) the applicable Adjustment Spread and (d) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(b)(ii)(D); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to follow market practice or, as applicable, to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread or any combination thereof (as applicable).

The Trustee and the Agents shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof.

The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's and each Agent's ability to rely on such certificate as aforesaid and subject to Condition 4(b)(ii)(D)(v)) be binding on the Issuer, the Trustee, the Agents, the Noteholders and the Couponholders as of their effective date.

(vii) *Fallbacks*

Without prejudice to the obligations of the Issuer under this Condition 4(b)(ii)(D), the Original Reference Rate and the fallback provisions provided for in (in the case of Floating Rate Notes) Condition 4(b)(ii)(B) or (in the case of CMS Linked Notes) Condition 4(b)(ii)(C) will continue to apply unless and until both (a) a Benchmark Discontinuation Event in relation to the Original Reference Rate and (b) a related Benchmark Replacement Date have occurred.

If, following the occurrence of a Benchmark Replacement Date and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) is determined in accordance with this Condition 4(b)(ii)(D) by such Interest Determination Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in (in the case of Floating Rate Notes) Condition 4(b)(ii)(B) or (in the case of CMS Linked Notes) Condition 4(b)(ii)(C) will (if applicable) continue to apply to such determination.

For the avoidance of doubt, this Condition 4(b)(ii)(D) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(b)(ii)(D).

(iii) *Rate of Interest for Inflation Linked Interest Notes*

The Rate of Interest in respect of Inflation Linked Interest Notes for each Interest Period will be as specified in the applicable Final Terms. Amounts of interest payable in respect of Inflation Linked Interest Notes determined by reference to the applicable Rate of Interest shall be subject to adjustment in accordance with Condition 5.

(iv) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(v) *Determination of Rate of Interest and calculation of Interest Amounts*

The Issuing and Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of CMS Linked Notes and Inflation Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of CMS Linked Notes and Inflation Linked Interest Notes, the Calculation Agent will notify the Issuing and Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Issuing and Principal Paying Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes, CMS Linked Notes or Inflation Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes, CMS Linked Notes or Inflation Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes, CMS Linked Notes or Inflation Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note, a CMS Linked Note or an Inflation Linked Interest Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(vi) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Issuing and Principal Paying Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Issuing and Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**“Designated Maturity”** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vii) *Notification of Rate of Interest and Interest Amounts*

The Issuing and Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes, CMS Linked Notes or Inflation Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes, CMS Linked Notes or Inflation Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression **“London Business Day”** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(ix) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Issuing and Principal Paying Agent or, if applicable, the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Trustee, the Issuing and Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default and fraud) no liability to the Issuer, the Trustee, the Noteholders or the Couponholders shall attach to the Issuing and Principal Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

(d) **Definitions**

In these Terms and Conditions:

**“Adjustment Spread”** means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in either case, which the Issuer (in accordance with Condition 4(b)(ii)(D)(i)) determines is to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:



- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with such Successor Rate by any Relevant Nominating Body;
- (ii) in the case of an Alternative Rate or (where (i) above does not apply) in the case of a Successor Rate, the Issuer determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by such Successor Rate or such Alternative Rate (as the case may be); or
- (iii) (if the Issuer determines that neither (i) nor (ii) above applies) the Issuer determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iii) (if the Issuer determines that none of (i), (ii) or (iii) above applies) the Issuer determines to be appropriate in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to the Noteholders and the Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

**“Alternative Rate”** means an alternative to the Original Reference Rate which the Issuer determines (in accordance with Condition 4(b)(ii)(D)(iii)) has replaced the Original Reference Rate in customary market usage in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof):

- (i) in the case of Floating Rate Notes, for a commensurate interest period and in the same Specified Currency as the Notes; and
- (ii) in the case of CMS Linked Notes, with a commensurate swap rate designated maturity and in the same Reference Currency as the Notes,

or, in any case, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in its sole discretion is most comparable to the Original Reference Rate;

**“Benchmark Amendments”** has the meaning given to it in Condition 4(b)(ii)(D)(iv);

**“Benchmark Discontinuation Event”** means, with respect to an Original Reference Rate:

- (i) such Original Reference Rate ceasing to (a) be published for a period of at least five Business Days or (b) exist or be administered; or
- (ii) the later of (a) the making of a public statement by the administrator of such Original Reference Rate that it will, on or before a specified date, cease publishing such Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Original Reference Rate) and (b) the date falling six months prior to the specified date referred to in (ii)(a); or
- (iii) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that such Original Reference Rate has been permanently or indefinitely discontinued; or
- (iv) the later of (a) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that such Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (b) the date falling six months prior to the specified date referred to in (iv)(a); or
- (v) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that means such Original Reference Rate has become prohibited from being used or that its use has become subject to restrictions or adverse consequences; or

- (vi) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means such Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (b) the date falling six months prior to the specified date referred to in (vi)(a); or
- (vii) it has or will, prior to the next Interest Determination Date, become unlawful for the Issuer, any Agent or any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest and/or the Interest Amount to calculate any payments due to be made to any Noteholder or Couponholder using such Original Reference Rate; or
- (viii) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used;

**"Benchmark Replacement Date"** means, with respect to any Benchmark Discontinuation Event:

- (i) in the case of an event falling within sub-paragraph (i)(a) of the definition of "Benchmark Discontinuation Event", the first Business Day immediately following such five-Business Day period;
- (ii) in the case of an event falling within sub-paragraphs (i)(b) or (ii) of the definition of "Benchmark Discontinuation Event", the date of the relevant cessation of existence, administration or publication, as applicable;
- (iii) in the case of an event falling within sub-paragraphs (iii), (v) or (viii) of the definition of "Benchmark Discontinuation Event", the date of the relevant public statement;
- (iv) in the case of an event falling within sub-paragraph (iv) of the definition of "Benchmark Discontinuation Event", the date of the relevant discontinuation; or
- (v) in the case of event falling within sub-paragraphs (vi) or (vii) of the definition of "Benchmark Discontinuation Event", the date on which the relevant prohibition, restrictions, adverse consequences or unlawfulness become(s) effective;

**"Business Day"** means a day which is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Wellington, respectively), (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **"TARGET2 System"**) is open or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in Hong Kong are generally open for business and settlement for Renminbi payments in Hong Kong;

**"Calculation Agent"** means the person appointed by the Issuer as calculation agent in relation to a Series of CMS Linked Notes and specified in the applicable Final Terms and shall include any successor calculation agent appointed in respect of such Notes;

**"CDOR"** means the Canadian dollar offered rate;

**"CMS Reference Banks"** means:

- (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the Euro-zone inter-bank market;

- (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market;
- (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market; and
- (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market,

in each case as selected by the Calculation Agent;

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest in accordance with Condition 4(b):

- (i) if **"Actual/Actual-ISDA"** or **"Actual/Actual"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/365 (Sterling)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iii) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iv) if **"Actual/360"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**"D<sub>1</sub>"** is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

**"D<sub>2</sub>"** is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if **"30E/360"** or **"Eurobond Basis"** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30;

**"Determination Period"** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

**"EURIBOR"** means the Euro-zone inter-bank offered rate;

**"Fixed Day Count Fraction"** means, in respect of the calculation of an amount of interest in accordance with Condition 4(a):

- (i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
- (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
  - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year;
- (ii) if “**30/360**” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (iii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the relevant period divided by 365;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer at its own expense under Condition 4(b)(ii)(D)(i) and notified in writing to the Trustee;

“**Interest Determination Date**” means:

- (i) if the Notes are Floating Rate Notes and:
  - (a) the Reference Rate is LIBOR (other than Sterling or Euro LIBOR), the second London business day prior to the start of each Interest Period;
  - (b) the Reference Rate is Sterling LIBOR, the first day of each Interest Period;
  - (c) the Reference Rate is Euro LIBOR or EURIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period;
  - (d) the Reference Rate is TIBOR, the second Tokyo Business Day prior to the start of each Interest Period;
  - (e) the Reference Rate is CDOR, the first day of each Interest Period; or
  - (f) the Reference Rate is JIBAR, the first day of each Interest Period; or
- (ii) if the Notes are CMS Linked Notes, each date specified in the applicable Final Terms;

“**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and amended and updated as at the Issue Date of the first Tranche of the Notes);

“**JIBAR**” means the Johannesburg inter-bank agreed rate;

“**LIBOR**” means the London inter-bank offered rate;

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) (provided that if, following one or

more Benchmark Replacement Dates, such originally-specified benchmark or screen rate (as applicable) (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (for a further) Successor Rate or Alternative Rate and a Benchmark Discontinuation Event and a related Benchmark Replacement Date subsequently occur in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

**"Reference Banks"** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, the principal office of four major banks in the Euro-zone inter-bank market, in the case of a determination of TIBOR, the principal Tokyo office of ten major banks in the Tokyo inter-bank market, in the case of a determination of CDOR, four major Canadian Schedule I chartered banks, in the case of a determination of JIBAR, the principal Johannesburg office of four major banks in the Johannesburg inter-bank market, in each case selected by the Issuing and Principal Paying Agent;

**"Reference Rate"** means (i) LIBOR, (ii) EURIBOR, (iii) TIBOR, (iv) CDOR, (v) JIBAR or (vi) CMS Rate, in each case for the relevant period, as specified in the applicable Final Terms;

**"Relevant Financial Centre"** means:

- (i) if the Notes are Floating Rate Notes:
  - (a) London, in the case of a determination of LIBOR;
  - (b) Brussels, in the case of a determination of EURIBOR;
  - (c) Tokyo, in the case of a determination of TIBOR;
  - (d) Toronto, in the case of a determination of CDOR; and
  - (e) Johannesburg, in the case of a determination of JIBAR; or
- (ii) if the Notes are CMS Linked Notes, the city specified in the applicable Final Terms;

**"Relevant Nominating Body"** means, in respect of an Original Reference Rate:

- (i) the central bank for the currency to which such Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

**"Relevant Swap Rate"** means:

- (i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in

the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;

- (iii) where the Reference Currency is U.S. dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice;

**"Relevant Time"** means:

- (i) if the Notes are Floating Rate Notes:
  - (a) in the case of LIBOR, 11.00 a.m.;
  - (b) in the case of EURIBOR, 11.00 a.m.;
  - (c) in the case of TIBOR, 11.00 a.m.;
  - (d) in the case of CDOR, 10.00 a.m.; and
  - (e) in the case of JIBAR, 11.00 a.m.; or
- (ii) if the Notes are CMS Linked Notes, the time specified in the applicable Final Terms,

in each case in the Relevant Financial Centre;

**"Representative Amount"** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**"sub-unit"** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent;

**"Successor Rate"** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body; and

**"TIBOR"** means the Tokyo inter-bank offered rate.

## **5. Inflation Linked Notes**

This Condition 5 is applicable only if the applicable Final Terms specifies the Notes as Inflation Linked Interest Notes and/or Inflation Linked Redemption Notes (together, the **"Inflation Linked Notes"**).

### **(a) U.K. Retail Price Index**

Where RPI (as defined below) is specified as the Index in the applicable Final Terms, Conditions 5(a) to 5(f) will apply. For purposes of Conditions 5(a) to 5(f), unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**"Base Index Figure"** means (subject to Condition 5(c)(i)) the base index figure as specified in the applicable Final Terms;

**"Calculation Agent"** means the person appointed by the Issuer as calculation agent in relation to a Series of Inflation Linked Notes and specified in the applicable Final Terms, and shall include any successor calculation agent appointed in respect of such Notes;

**"Her Majesty's Treasury"** means Her Majesty's Treasury or any officially recognised party performing the function of a calculation agent (whatever such party's title), on its or its successor's behalf, in respect of the Reference Gilt;

**"Index"** or **"Index Figure"** means, subject as provided in Condition 5(c)(i), the U.K. Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the U.K. Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt (the **"RPI"**). Any reference to the Index Figure:

- (i) applicable to a particular month, shall, subject as provided in Conditions 5(c) and 5(e), be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or
- (ii) applicable to the first calendar day of any month shall, subject as provided in Conditions 5(c) and 5(e), be construed as a reference to the Index Figure published in the second month prior to that particular month and relating to the month before that of publication; or
- (iii) applicable to any other day in any month shall, subject as provided in Conditions 5(c) and 5(e), be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the day falls, calculated as specified in sub-paragraph (ii) above and (y) the Index Figure applicable to the first calendar day of the month following, calculated as specified in sub-paragraph (ii) above and rounded to the nearest fifth decimal place;

**"Index Ratio"** applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place;

**"Limited Index Linked Notes"** means Inflation Linked Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the applicable Final Terms) applies;

**"Limited Index Ratio"** means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date, the Index Ratio for that month or date, as the case may be, (b) in respect of any Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

**"Limited Indexation Date"** means any date falling during the period specified in the applicable Final Terms for which a Limited Indexation Factor is to be calculated;

**"Limited Indexation Factor"** means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, twelve months prior thereto, provided that (a) if such ratio is greater than the Maximum Indexation Factor specified in the applicable Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the applicable Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

**"Limited Indexation Month"** means any month specified in the applicable Final Terms for which a Limited Indexation Factor is to be calculated; and

**"Reference Gilt"** means the index-linked Treasury Stock or Treasury Gilt specified as such in the applicable Final Terms for so long as such gilt is in issue, and thereafter such issue of index-linked Treasury Stock or Treasury Gilt determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an **"Indexation Adviser"**).

**(b) Application of the Index Ratio**

Each payment of interest (in the case of Inflation Linked Interest Notes) and principal (in the case of Inflation Linked Redemption Notes) in respect of the Notes shall be the amount provided in, or determined in accordance with, these Terms and



Conditions, multiplied by the Index Ratio or Limited Index Ratio in the case of Limited Index Linked Notes applicable to the month or date, as the case may be, on which such payment falls to be made and rounded in accordance with Condition 4(b)(v).

**(c) Changes in Circumstances Affecting the Index**

- (i) Change in base: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of “**Index**” and “**Index Figure**” in Condition 5(a) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.
- (ii) Delay in publication of Index if sub-paragraph (i) of the definition of Index Figure is applicable: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the “**relevant month**”) before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the “**date for payment**”), the Index Figure applicable to the month in which the date for payment falls shall be (1) such substitute index figure (if any) as the Trustee considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Trustee (acting solely on the advice of the Indexation Adviser)) or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 5(c)(i)) before the date for payment.
- (iii) Delay in publication of Index if sub-paragraph (ii) and/or (iii) of the definition of Index Figure is applicable: If the Index Figure relating to any month (the “**calculation month**”) which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the “**date for payment**”), the Index Figure applicable for the relevant calculation month shall be (1) such substitute index figure (if any) as the Trustee considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Trustee (acting solely on the advice of the Indexation Adviser)) or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 5(c)(i)) before the date for payment.

**(d) Application of Changes**

Where the provisions of Condition 5(c)(ii) or Condition 5(c)(iii) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, an Index Figure having been applied pursuant to Condition 5(c)(ii)(2) or Condition 5(c)(iii)(2), the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

- (i) in relation to a payment of interest (in the case of Inflation Linked Interest Notes) and/or principal (in the case of Inflation Linked Redemption Notes) in respect of such Note other than upon final redemption of such Note, the interest and/or principal (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 5(c)(ii)(2) or Condition 5(c)(iii)(2) below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and
- (ii) in relation to a payment of interest (in the case of Inflation Linked Interest Notes) and/or principal (in the case of Inflation Linked Redemption Notes) upon final redemption, no subsequent adjustment to amounts paid will be made.

**(e) Material Changes or Cessation of the Index**

- (i) **Material changes to the Index:** If notice is published by Her Majesty's Treasury, or on its behalf, following a change to the coverage or the basic calculation of the Index, then the Calculation Agent shall make any such adjustments to the Index consistent with any adjustments made to the Index as applied to the Reference Gilt.
- (ii) **Cessation of the Index:** If the Trustee and the Issuer have been notified by the Calculation Agent that the Index has ceased to be published, or if Her Majesty's Treasury, or a person acting on its behalf, announces that it will no longer continue to publish the Index, then the Calculation Agent shall determine a successor index in lieu of any previously applicable index (the "**Successor Index**") by using the following methodology:
  - (a) if at any time a successor index has been designated by Her Majesty's Treasury in respect of the Reference Gilt, such successor index shall be designated the "**Successor Index**" for the purposes of all subsequent Interest Payment Dates, notwithstanding that any other Successor Index may previously have been determined under paragraphs (b) or (c) below; or
  - (b) if a Successor Index has not been determined under paragraph (a) above, the Issuer and the Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the Noteholders in no better and no worse position than they would have been had the Index not ceased to be published; or
  - (c) if the Issuer and the Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (ii), a bank or other person in London shall be appointed by the Issuer and the Trustee or, failing agreement on and the making of such appointment within 20 business days following the expiry of the 20 business day period referred to above, by the Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the Noteholders in no better and no worse position than they would have been had the Index not ceased to be published. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Trustee in connection with such appointment shall be borne by the Issuer.
- (iii) **Adjustment or replacement:** The Index shall be adjusted or replaced by a substitute index pursuant to the foregoing paragraphs, as the case may be, and references in these Terms and Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Trustee (acting solely on the advice of the Indexation Adviser) and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 14 of such amendments as promptly as practicable following such notification or adjustment.

**(f) Redemption for Index Reasons**

If either (i) the Index Figure for three consecutive months is required to be determined on the basis of an Index Figure previously published as provided in Condition 5(c)(ii)(2) and the Trustee has been notified by the Calculation Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt, and (in either case) no amendment or substitution of the Index shall have been designated by Her Majesty's Treasury in respect of the Reference Gilt and such circumstances are continuing, the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount referred to in Condition 6(f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption (in each case adjusted in accordance with Condition 5(b)).

**(g) HICP**

Where HICP (as defined below) is specified as the Index in the applicable Final Terms, the Conditions 5(g) to 5(j) will apply. For purposes of Conditions 5(g) to 5(j), unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**“Base Index Level”** means the base index level as specified in the applicable Final Terms;

**“Calculation Agent”** means the person appointed by the Issuer as calculation agent in relation to a Series of Inflation Linked Notes and specified in the applicable Final Terms, and shall include any successor calculation agent appointed in respect of such Notes;

**“Index”** or **“Index Level”** means (subject as provided in Condition 5(i)) the non-revised Harmonised Index of Consumer Prices excluding tobacco or relevant Successor Index (as defined in Condition 5(i)(ii)), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the **“HICP”**). The first publication or announcement of a level of such index for a calculation month (as defined in Condition 5(i)(i)(A)) shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations. Any reference to the Index Level which is specified in these Terms and Conditions as applicable to any day (“d”) in any month (“m”) shall, subject as provided in Condition 5(i), be calculated as follows:

$$I_d = HICP_{m-3} + \frac{nb d}{q_m} \times (HICP_{m-2} - HICP_{m-3})$$

where:

**“ $I_d$ ”** is the Index Level for the day d

**“HICP”** m-2 is the level of HICP for month m-2

**“HICP”** m-3 is the level of HICP for month m-3

**“nb d”** is the actual number of days from and excluding the first day of month m to but including day d;

and

**“ $q_m$ ”** is the actual number of days in month m,

provided that if Condition 5(i) applies, the Index Level shall be the Substitute Index Level determined in accordance with such Condition.

**“Index Business Day”** means a day on which the TARGET System is operating;

**“Index Determination Date”** means in respect of any date for which the Index Level is required to be determined, the fifth Index Business Day prior to such date;

**“Index Ratio”** applicable to any date means the Index Level applicable to the relevant Index Determination Date divided by the Base Index Level and rounded to the nearest fifth decimal place, 0.000005 being rounded upwards; and

**“Related Instrument”** means an inflation-linked bond selected by the Calculation Agent that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union with a maturity date which falls on (a) the same day as the Maturity Date or (b) the next longest maturity date after the Maturity Date or the next shortest maturity for the Maturity Date at its sole discretion, if there is no such bond maturing on the Maturity Date. The Calculation Agent will select the Related Instrument from such of those inflation-linked bonds issued on or before the relevant Issue Date and, if there is more than one such inflation-linked bond maturing on the same date, the Related Instrument shall be selected by the Calculation Agent from such bonds at its sole discretion. If the Related Instrument is redeemed the Calculation Agent will select a new Related Instrument on the same basis, but selected from all eligible bonds in issue at the time the originally selected Related Instrument is redeemed (including any bond for which the redeemed originally selected Related Instrument is exchanged).

**(h) Application of the Index Ratio**

Each payment of interest (in the case of Inflation Linked Interest Notes) and principal (in the case of Inflation Linked Redemption Notes) in respect of the Notes shall be the amount provided in, or determined in accordance with, these Terms and Conditions, multiplied by the Index Ratio applicable to the date on which such payment falls to be made and rounded in accordance with Condition 4(b)(v).

(i) **Changes in Circumstances Affecting the Index**

(i) Delay in publication of Index

(A) If the Index Level relating to any month (the “**calculation month**”) which is required to be taken into account for the purposes of the determination of the Index Level for any date (the “**Relevant Level**”) has not been published or announced by the day that is five Business Days before the date on which such payment is due (the “**Affected Payment Date**”), the Calculation Agent shall determine a Substitute Index Level (as defined below) (in place of such Relevant Level) by using the following methodology:

(1) if applicable, the Calculation Agent will take the same action to determine the “**Substitute Index Level**” for the Affected Payment Date as that taken by the calculation agent (or any other party performing the function of a calculation agent (whatever such party’s title)) pursuant to the terms and conditions of the Related Instrument;

(2) if (1) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

Where:

“**Base Level**” means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

“**Latest Level**” means the latest level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) prior to the month in respect of which the Substitute Index Level is being calculated; and

“**Reference Level**” means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month that is 12 calendar months prior to the month referred to in “*Latest Level*” above.

(B) If a Relevant Level is published or announced at any time after the day that is five Business Days prior to the next Interest Payment Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 5(i) will be the definitive level for that calculation month.

(ii) Cessation of publication: If the Index Level has not been published or announced for two consecutive months or Eurostat announces that it will no longer continue to publish or announce the Index then the Calculation Agent shall determine a successor index in lieu of any previously applicable Index (the “**Successor Index**”) by using the following methodology:

(A) if at any time (other than after an Early Termination Event (as defined below) has been designated by the Calculation Agent pursuant to paragraph (E) below) a successor index has been designated by the calculation agent (or any other party performing the function of a calculation agent (whatever such party’s title)) pursuant to the terms and conditions of the Related Instrument, such successor index shall be designated the “**Successor Index**” for the purposes of all subsequent Interest Payment Dates, notwithstanding that any other Successor Index may previously have been determined under paragraphs (B), (C) or (D) below; or

(B) if a Successor Index has not been determined under paragraph (A) above (and there has been no designation of an Early Termination Event pursuant to paragraph (E) below), and a notice has been given or an announcement has been made by Eurostat (or any successor entity which publishes such index) specifying that the Index will be superseded by a replacement index specified by Eurostat (or any such successor), and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously

applicable Index, such replacement index shall be the Index from the date that such replacement index comes into effect; or

- (C) if a Successor Index has not been determined under paragraphs (A) or (B) above (and there has been no designation of an Early Termination Event pursuant to paragraph (E) below), the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If four or five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "Successor Index". If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the "Successor Index". If fewer than three responses are received, the Calculation Agent will proceed to paragraph (D) below; or
  - (D) if no Successor Index has been determined under paragraphs (A), (B) or (C) above on or before the fifth Index Business Day prior to the next Affected Payment Date the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed the "Successor Index"; or
  - (E) if the Calculation Agent determines that there is no appropriate alternative index, the Issuer shall, in conjunction with the Calculation Agent, determine in good faith an appropriate alternative index. If the Issuer, in conjunction with the Calculation Agent, does not decide on an appropriate alternative index within a period of ten Business Days, then an **"Early Termination Event"** will be deemed to have occurred and the Issuer will redeem the Notes pursuant to Condition 5(j).
- (iii) **Rebasing of the Index:** If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the **"Rebased Index"**) will be used for the purposes of determining each relevant Index Level from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments as are made by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made.
  - (iv) **Material Modification Prior to Interest Payment Date:** If, on or prior to the day that is five Business Days before an Interest Payment Date, Eurostat announces that it will make a material change to the Index then the Calculation Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Instrument.
  - (v) **Manifest Error in Publication:** If, within thirty days of publication, the Calculation Agent determines that Eurostat (or any successor entity which publishes such index) has corrected the level of the Index to remedy a manifest error in its original publication, the Calculation Agent will notify the parties of (A) that correction, (B) the amount that is payable, in respect of interest payments falling after such correction, as a result of that correction and (C) take such other action as it may deem necessary to give effect to such correction.

**(j) Redemption for Index Reasons**

If an Early Termination Event as described under Condition 5(i)(ii)(E) is deemed to have occurred, the Issuer will, upon giving not more than 60 nor less than 30 days' notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount referred to in Condition 6(f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption (in each case adjusted in accordance with Condition 5(h)).

**6. Payments**

**(a) Method of payment**

Subject as provided below:

- (i) payments in a Specified Currency other than euro or Renminbi will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified

Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Wellington, respectively);

- (ii) payments in euro will be made by credit or transfer to a euro account (or to any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the payee with a bank in Hong Kong.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

**(b) Presentation of Bearer Notes and Coupons**

Payments of principal in respect of Bearer Notes will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Bearer Notes, and payments of interest in respect of Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in bearer form (other than Fixed Rate Notes which specify Interest Payment Date Adjustment as being applicable in the applicable Final Terms or Inflation Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Fixed Rate Note which specifies Interest Payment Date Adjustment as being applicable in the applicable Final Terms, CMS Linked Note or Inflation Linked Interest Note in bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

**(c) Payments in respect of Registered Notes**

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in the sub-paragraph (ii) below.
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register on the Record Date. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

- (iii) Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, The Depository Trust Company (“DTC”) and denominated in a Specified Currency other than U.S. dollars will be made or procured to be made by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee in accordance with the following provisions. The amounts in such Specified Currency payable by the Registrar or its agent to DTC with respect to Registered Notes held by DTC or its nominee will be received from the Issuer by the Registrar who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC Business Day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC Business Days prior to the relevant payment date, to receive that payment in such Specified Currency. The Registrar, after the Exchange Agent has converted amounts in such Specified Currency into U.S. dollars, will deliver such U.S. dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Agency Agreement sets out the manner in which such conversions are to be made. For the purposes of this Condition 6(c), “DTC Business Day” means any day on which DTC is open for business.

**(d) General provisions applicable to payments**

The holder of a Global Note or a Global Certificate shall be the only person entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note or Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note or Global Certificate.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due; and
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

**(e) Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “Payment Day” means any day which (subject to Condition 9) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, the relevant place of presentation;
  - (B) any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Wellington, respectively), (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open or (3) in relation to any sum

payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in Hong Kong are generally open for business and settlement for Renminbi payments in Hong Kong.

**(f) Interpretation of principal and interest**

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(f)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

**(g) Renminbi Currency Event**

If Renminbi Currency Event is specified as applying in the applicable Final Terms and a Renminbi Currency Event (as defined below) occurs, the Issuer, on giving not less than five nor more than thirty days' irrevocable notice in accordance with Condition 14 to the Noteholders and the Trustee prior to any due date for payment, shall be entitled to satisfy its obligations in respect of such payment (in whole or in part) by making such payment in U.S. dollars on the basis of the Spot Rate for the relevant Determination Date as promptly notified to the Issuer, the Trustee and the Paying Agents by the Calculation Agent.

In such event, any payment of U.S. dollars will be made by transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, a bank in New York City and the definition of "**Payment Day**" in Condition 6(e) shall mean any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in: (A) in the case of Notes in definitive form only, the relevant place of presentation; and (B) London and New York City.

In these Terms and Conditions:

**"Determination Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and New York City;

**"Determination Date"** means the day which is three Determination Business Days before the due date of the relevant payment under the Notes;

**"Government Authority"** means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

**"Local Time"** means the time of day in the jurisdiction in which the Calculation Agent, appointed in connection with the Notes, is located;

**"Renminbi Currency Event"** means any one of Renminbi Illiquidity, Renminbi Non-Transferability and Renminbi Inconvertibility;



**“Renminbi Dealer”** means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer;

**“Renminbi Illiquidity”** means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the Notes, as determined by the Issuer acting in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

**“Renminbi Inconvertibility”** means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes into Renminbi in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**“Renminbi Non-Transferability”** means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong (including where the Renminbi clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); and

**“Spot Rate”** means the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in three Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Local Time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall in good faith and in a commercially reasonable manner determine the Spot Rate at or around 11:00 a.m. (Local Time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by the State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

If for any reason at any relevant time the Calculation Agent defaults in its obligation to determine the Spot Rate, the Trustee shall determine (or, at the expense of the Issuer, appoint an expert to determine) the Spot Rate in such manner as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition), it shall deem fair and reasonable in all the circumstances and each such determination shall be deemed to have been made by the Calculation Agent.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(g), whether by the Calculation Agent or an expert appointed by the Trustee, shall (in the absence of manifest error) be binding on the Issuer, the Issuing and Principal Paying Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default and bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Calculation Agent or such expert in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provision.

## **7. Redemption and Purchase**

### **(a) Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### **(b) Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note, a CMS Linked Note or an Inflation Linked Interest Note) or on any Interest Payment Date (if this Note is a Floating Rate Note, a CMS Linked Note or an Inflation Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Issuing and Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due in respect of the Notes, the Issuer would be required to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction (as defined in Condition 8) (or any political subdivision or taxing authority thereof or therein), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such requirement cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be required to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the requirement referred to in sub-paragraph (i) above will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders. Upon the expiry of any such notice as is referred to in this paragraph, the Issuer shall be bound to redeem the Notes in accordance with the provisions of this paragraph.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

**(c) Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (i) notice within the Issuer Call Period to the Noteholders in accordance with Condition 14; and
- (ii) not less than 10 days before the giving of the notice referred to in sub-paragraph (i) above, notice to the Issuing and Principal Paying Agent and the Trustee,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the relevant Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The relevant Optional Redemption Amount will be either, as specified in the applicable Final Terms, (A) if Make Whole Redemption Price is specified in the applicable Final Terms as applying to one or more Optional Redemption Dates, the relevant Make Whole Redemption Price or (B) if Par Call is specified in the applicable Final Terms as applying to one or more Optional Redemption Dates, the specified amount per Calculation Amount stated in the applicable Final Terms.

The Make Whole Redemption Price will be an amount equal to the higher of:

- (A) if Spens Amount is specified as being applicable in the applicable Final Terms, (x) 100 per cent. of the nominal amount outstanding of the Notes to be redeemed or (y) the nominal amount outstanding of the Notes to be redeemed multiplied by the price, as reported to the Issuer and the Trustee by the Determination Agent, at which the Gross Redemption Yield on such Notes on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time on the Reference Date of the Reference Bond, plus the Redemption Margin; or
- (B) if Make Whole Redemption Amount is specified as applicable in the applicable Final Terms, (x) 100 per cent. of the nominal amount outstanding of the Notes to be redeemed and (y) the sum of the present values of the nominal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) and such present values shall be calculated by discounting such amounts to the date of redemption on an annual basis (assuming a 360-day year consisting of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed) at the Reference Bond Rate, plus the Redemption Margin,

all as determined by the Determination Agent.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption.

In these Terms and Conditions:

**"DA Selected Bond"** means a government security or securities selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the remaining term of the Notes;

**"Determination Agent"** means an investment bank or financial institution of international standing selected by the Issuer after consultation with the Trustee;

**"Gross Redemption Yield"** means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields", page 4, Section One: Price/Yield Formulae "Conventional Gilts"; "Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published 8 June 1998, as amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places);

**"Quotation Time"** shall be as set out in the applicable Final Terms;

**"Redemption Margin"** shall be as set out in the applicable Final Terms;

**"Reference Bond"** shall be as set out in the applicable Final Terms or the DA Selected Bond;

**"Reference Bond Price"** means, with respect to any date of redemption, (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (b) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

**"Reference Bond Rate"** means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

**"Reference Date"** will be set out in the relevant notice of redemption;

**"Reference Government Bond Dealer"** means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

**"Reference Government Bond Dealer Quotations"** means, with respect to each Reference Government Bond Dealer and any date of redemption, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

**"Remaining Term Interest"** means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 7(c).

**(d) Redemption following a Change of Control**

If Change of Control Put Option is specified in the applicable Final Terms and, at any time while any of the Notes remain outstanding, a Change of Control Put Event (as defined below) occurs, then the holder of each such Note will have the option (a **"Change of Control Put Option"**) (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined

below) the Issuer has given notice of redemption under Conditions 7(b) or 7(c) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the date which is seven days after the expiration of the Put Period (as defined below) (such date or such other date as may be specified in the applicable Final Terms, the "**Put Date**") at the Optional Redemption Amount specified in the applicable Final Terms together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Put Date.

A "**Change of Control Put Event**" will be deemed to occur if:

- (i) any person or any persons acting in concert (as defined in the United Kingdom's City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006 as amended) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (B) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer (each such event, a "**Change of Control**"); provided that, no Change of Control shall be deemed to occur if the event which would otherwise have constituted a Change of Control occurs or is carried out for the purposes of a reorganisation on terms previously approved by the Trustee in writing or by an Extraordinary Resolution; and
  - (ii) the long-term debt of the Issuer has been assigned:
    - (A) an investment grade credit rating (*Baa3/BBB-*, or their respective equivalents, or better) (an "**Investment Grade Rating**"), by any Rating Agency at the invitation of the Issuer; or
    - (B) where there is *no* rating from any Rating Agency assigned at the invitation of the Issuer, an Investment Grade Rating by any Rating Agency of its own volition,
- and;
- (x) such rating is, within the Change of Control Period, either downgraded to a non-investment grade credit rating (*Ba1/BB+*, or their respective equivalents, or worse) (a "**Non-Investment Grade Rating**") or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an Investment Grade Rating by such Rating Agency;
  - (y) and there remains no other Investment Grade Rating of the long-term debt of the Issuer from any other Rating Agency; and
  - (iii) in making any decision to downgrade or withdraw an Investment Grade Rating pursuant to paragraph (ii) above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Trustee that such decision(s) resulted, in whole or in part, from the occurrence of the relevant Change of Control.

Further, if at the time of the occurrence of the relevant Change of Control the long-term debt of the Issuer is not assigned an Investment Grade Rating by any Rating Agency, a Change of Control Put Event will be deemed to occur upon the occurrence of a Change of Control alone.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of the Note must (in the case of Bearer Notes) deposit such Note with any Paying Agent or (in the case of Registered Notes) deposit the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, in each case at any time during normal business hours of such Paying Agent, Registrar or Transfer Agent, as the case may be, falling within the period (the "**Put Period**") of 30 days after a Change of Control Put Event Notice is given or such other date as may be specified in the applicable Final Terms, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent, Registrar or Transfer Agent, as the case may be (a "**Change of Control Put Notice**"). No Note or Certificate so

deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Put Date unless previously redeemed (or purchased) and cancelled.

If 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 7(d), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their Optional Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for such redemption or purchase.

If the rating designations employed by either Moody's or S&P are changed from those which are described in paragraph (ii) of the definition of "Change of Control Put Event" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee, the rating designations of Moody's or S&P or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Moody's or S&P and this Condition 7(d) shall be construed accordingly.

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

In these Terms and Conditions:

**"Change of Control Period"** means the period commencing upon a Change of Control and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review, such period not to exceed 60 days after the public announcement of such consideration); and

**"Rating Agency"** means Moody's Investors Service Limited ("**Moody's**") or S&P Global Ratings Europe Limited ("**S&P**") or any of their respective affiliates or successors or any rating agency (a "**Substitute Rating Agency**") substituted for any of them by the Issuer from time to time with the prior written approval of the Trustee.

**(e) Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 notice within the Investor Put Period the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise this option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, accompanied by a duly completed and signed notice of exercise (a "**Put Notice**" in the form (for the time being current) obtainable from any specified office of any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition.

**(f) Early Redemption Amounts**

For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of a Note (other than a Zero Coupon Note), at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (ii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“RP” means the Reference Price;

“AY” means the Accrual Yield expressed as a decimal; and

“y” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

**(g) Purchases**

The Issuer or any Subsidiary (as defined in the Trust Deed) of the Issuer may at any time purchase Notes (provided that, in the case of Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise.

The Issuer will purchase (or procure the purchase of) any Retained Notes on the Issue Date.

**(h) Cancellation**

All Notes (other than Retained Notes) which are (a) redeemed or (b) purchased by or on behalf of the Issuer will forthwith be cancelled (together with all Certificates or unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption) and accordingly may not be reissued or resold. Any Notes which are purchased by or on behalf of any of the Issuer's Subsidiaries may, at the option of the purchaser, be held or resold or surrendered to a Paying Agent for cancellation.

The Issuer may cancel (or procure the cancellation of) any Retained Notes held by it or on its behalf at any time.

**(i) Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph f(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Issuing and Principal Paying Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

**8. Taxation**

All payments in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for any present or future taxes, assessments or other governmental charges (“Taxes”) of the Issuer's jurisdiction of incorporation (the “Relevant Jurisdiction”) (or any political subdivision or taxing authority thereof or therein), unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amount paid to each holder of any Note or Coupon who, with respect to any such Tax is not resident in the Relevant Jurisdiction, after such withholding or deduction shall be not less than the respective amount to which such holder would have

been entitled in respect of such Note or Coupon, as the case may be, in the absence of the withholding or deduction; provided however that the Issuer shall not be required to pay any additional amounts (i) for or on account of any such Tax imposed by the United States (or any political subdivision or taxing authority thereof or therein) or (ii) for or on account of:

- (a) any Tax which would not have been imposed but for (i) the existence of any present or former connection between a holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership or corporation) and the Relevant Jurisdiction or any political subdivision or territory or possession thereof or area subject to its jurisdiction, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident thereof or being or having been present or engaged in trade or business therein or having or having had a permanent establishment therein or (ii) the presentation of such Note or Coupon (x) for payment on a date more than 30 days after the Relevant Date (as defined below) or (y) in the Relevant Jurisdiction;
- (b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;
- (c) any Tax which is payable otherwise than by withholding or deduction from payments of (or in respect of) principal of, or any interest on, such Note or Coupon;
- (d) any Tax that is imposed or withheld by reason of the failure by the holder or any beneficial owner of such Note or Coupon to comply with a request of the Issuer given to the holder in accordance with Condition 14 (i) to provide information concerning the nationality, residence or identity of the holder or any beneficial owner or (ii) to make any declaration or other similar claim or satisfy any information or reporting requirements, which, in the case of (i) or (ii), is required or imposed by a statute, treaty, regulation or administrative practice of the Relevant Jurisdiction as a precondition to exemption from all or part of such Tax; or
- (e) any combination of items (a), (b), (c) and (d) above,

nor shall the Issuer be required to pay any additional amounts with respect to any payment of the principal of, or any interest on, any Note or Coupon to any holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Jurisdiction (or any political subdivision or taxing authority thereof or therein) to be included in the income for tax purposes of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner which would not have been entitled to such additional amounts had it been the holder of such Note or Coupon.

Notwithstanding any other provision of the Terms and Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (and any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

As used herein:

“**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Issuing and Principal Paying Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14; and

“**United States**” means the United States of America (including the States and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

## 9. Prescription

The Notes and Coupons will become void unless a claim for payment is made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor (subject to the provisions of Condition 6(b)).

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

## **10. Events of Default and Enforcement**

### **(A) Events of Default**

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes (excluding Retained Notes) then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount as referred to in Condition 7(f) together (if applicable) with accrued interest as provided in the Trust Deed, in any of the following events (each such event, together where applicable with the certification by the Trustee as described below, an **"Event of Default"**):

- (a) if default is made in the payment of any principal or any interest due in respect of the Notes or any of them and the default continues for a period of 14 days in the case of a payment of principal or 21 days in the case of a payment of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Terms and Conditions or the Trust Deed and (except in any case where the Trustee considers the failure to be incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) if any Indebtedness for Borrowed Money of the Issuer becomes due and repayable prematurely by reason of an event of default (however described) or the Issuer fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (as extended by any originally applicable grace period) or any security given by the Issuer for any Indebtedness for Borrowed Money becomes enforceable by reason of default in relation thereto and steps are taken to enforce such security or if default is made by the Issuer in making any payment due under any guarantee and/or indemnity (at the expiry of any originally applicable grace period) given by it in relation to any Indebtedness for Borrowed Money of any other person, provided that no event shall constitute an Event of Default unless the Indebtedness for Borrowed Money or other relative liability either alone or when aggregated with other Indebtedness for Borrowed Money and/or other liabilities relative to all (if any) other events which shall have occurred equals or exceeds £150,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, save for the purposes of a reorganisation on terms approved in writing by the Trustee; or
- (e) if the Issuer stops payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts (within the meaning of section 123(1)(e) or (2) of the Insolvency Act 1986), or is adjudicated or found bankrupt or insolvent or shall enter into any composition or other similar arrangements with its creditors under section 1 of the Insolvency Act 1986; or
- (f) if (i) an administrative or other receiver, manager, administrator or other similar official is appointed in relation to the Issuer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of it, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of it, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of it and (ii) in any case (other than the appointment of an administrator) is not discharged, removed or paid within 45 days;

PROVIDED, in the case of any event described above other than those described in paragraphs (a) and (d) above, the Trustee shall have certified in writing to the Issuer that the event is, in its opinion, materially prejudicial to the interests of the Noteholders.



For the purposes of this Condition, “**Indebtedness for Borrowed Money**” means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any bonds, notes, debentures, debenture stock or loan stock.

**(B) Enforcement**

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the relevant Noteholders or so requested in writing by the holders of at least one-quarter in nominal amount of the relevant Notes then outstanding (excluding any Retained Notes), and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

Save as otherwise provided herein, no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails or is unable so to do within 60 days and the failure or inability shall be continuing.

**11. Replacement of Notes, Certificates, Coupons and Talons**

Should any Note, Certificate, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Principal Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

**12. Agents**

The names of the initial Issuing and Principal Paying Agent, the other Paying Agents, the Registrar and the Transfer Agents and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of the Issuing and Principal Paying Agent, any other Paying Agent, the Registrar or any Transfer Agent and/or appoint additional or other Paying Agents or Transfer Agents or another Registrar and/or approve any change in the specified office through which any such agent acts, provided that:

- (i) there will at all times be an Issuing and Principal Paying Agent;
- (ii) there will at all times be a Registrar and a Transfer Agent in relation to Registered Notes;
- (iii) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (iv) there will at all times be a Paying Agent with a specified office in a city approved by the Trustee outside the Relevant Jurisdiction.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6(d).

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 60 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Issuing and Principal Paying Agent, the Paying Agents, the Registrar and the Transfer Agents act solely as agents of the Issuer and, in certain limited circumstances, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent or Registrar or Transfer Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent, registrar or transfer agent, as the case may be.

### **13. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

### **14. Notices**

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or Sunday) after the date of mailing.

Notices to the holders of Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in the United Kingdom. It is expected that such publication will be made in the *Financial Times*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Issuing and Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

### **15. Meeting of Noteholders, Modification, Authorisation, Waiver, Determination and Substitution**

#### **(a) Meetings**

The Trust Deed contains provisions for convening meetings of the Noteholders (which may be held physically or virtually) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the provisions of these Terms and Conditions, the Notes, the Coupons or the Trust Deed. Such a meeting may be convened by the Issuer or by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all and Couponholders.

#### **(b) Modification, Authorisation, Waiver, Determination, Substitution etc.**

The Trustee may agree, without the consent of the Noteholders or the Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Terms and Conditions or any of the provisions of the Trust Deed or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error. In addition, the Trustee shall be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4(b)(ii)(D) without the consent of the Noteholders or the Couponholders.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any

purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as principal debtor in respect of the Notes and the Coupons and under the Trust Deed of either (i) a Successor in Business (as defined in the Trust Deed) to the Issuer or (ii) a Holding Company of the Issuer or (iii) a Subsidiary of the Issuer, in each case subject to the Trustee being satisfied that the interests of the Noteholders are not materially prejudiced thereby provided that in determining such material prejudice the Trustee shall not take into account any prejudice to the interests of the Noteholders as a result of such substituted company not being required pursuant to proviso (i) to Condition 8 to pay any additional amounts for or on account of any Taxes imposed by the United States of America or any political subdivision or taxing authority thereof or therein and certain other conditions set out in the Trust Deed being complied with.

The Trust Deed contains provisions permitting the Issuer to consolidate with or merge into any other person or convey, transfer or lease its properties and assets substantially as an entirety to any person provided that (i) in the case of a consolidation or merger (except where the Issuer is the continuing entity) such person agrees to be bound by the terms of the Notes, the Coupons and the Trust Deed as principal debtor in place of the Issuer; (ii) in the case of a conveyance, transfer or lease, such person guarantees the obligations of the Issuer under the Notes, the Coupons and the Trust Deed and (iii) certain other conditions set out in the Trust Deed are complied with.

Any such modification, waiver, authorisation, determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification or substitution shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

For the purposes of this Condition “**Holding Company**” means, in relation to a person, an entity of which that person is a Subsidiary.

#### **16. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other Series in certain circumstances where the Trustee so decides.

#### **17. Indemnification of the Trustee and its Contracting with the Issuer**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of its Subsidiaries, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

#### **18. Third Party Rights**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

**19. Governing Law**

The Trust Deed, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with any of them, are governed by and shall be construed in accordance with, English law. The Agency Agreement is governed by and shall be construed in accordance with English law.

# Use of Proceeds

An amount equal to the net proceeds from each issue of each Tranche of Notes will be applied, as indicated in the applicable Final Terms, either:

- (a) for general corporate purposes; or
- (b) where “Green Projects” is specified in the applicable Final Terms, exclusively to finance or refinance, in whole or in part, Green Projects (as defined below).

The estimated net amount of proceeds of each tranche of Notes will be stated in the applicable Final Terms.

According to the definition criteria set out by the International Capital Market Association Green Bond Principles 2018 (the “**Green Bond Principles 2018**”), only Tranches of Notes exclusively financing or refinancing Green Projects (above mentioned at (b)) will be denominated “**Green Bonds**”.

“**Green Projects**” means projects within the following eligible categories: (i) energy efficiency; (ii) renewable energy; and (iii) green buildings.

Green Projects have been (or will be, as the case may be) selected by the Issuer in accordance with the broad categorisation of eligibility for Green Projects set out in the Green Bond Principles 2018, and are further described in the Green Bond Framework published on Vodafone’s website at <https://investors.vodafone.com/debt-investors/green-bond-framework> and as updated from time to time. In connection with the issuance of Green Bonds, Sustainalytics UK Limited (an independent provider of environmental, social and governance research, ratings, and analysis), has evaluated the Issuer’s Green Bond Framework and has issued an independent opinion confirming that the Green Projects described in the Green Bond Framework are aligned with the Green Bond Principles 2018. Sustainalytics’s independent opinion is also available for viewing at <https://investors.vodafone.com/debt-investors/green-bond-framework>.

The Issuer will report annually on the allocation of the net proceeds to the relevant Green Project(s) for each Green Bond that is issued, and such reports will be published (and updated annually) once available at <https://investors.vodafone.com/debt-investors/green-bond-framework>.

No assurance or representation is given by the Issuer, the Arranger or any Dealer as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Arranger, any Dealer or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as at the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. See further information under the risk factor above headed, “*Risk Factors - Notes issued as Green Bonds may not be a suitable investment for all investors seeking exposure to green assets*”.

# Description of the Issuer

## Background

Vodafone was incorporated as a private limited company on 17 July 1984 under the laws of England and Wales with registration number 1833679 and re-registered as a public limited company on 14 September 1988. The registered office of Vodafone is at Vodafone House, The Connection, Newbury, Berkshire RG14 2FN, its telephone number is +44 (0) 1635 33251 and its website is [www.vodafone.com](http://www.vodafone.com). Vodafone and its subsidiary undertakings, joint ventures, associated undertakings and investments are collectively referred to as the “Group”.

Vodafone had a market capitalisation of approximately £30.3 billion as at 31 March 2020.

## Principal Activities

The Group is a leading technology communications company.

The Group is focused on two scaled and differentiated regional platforms in Europe and Africa. The Group operates mobile and fixed networks in 22 countries and partners with mobile networks in 43 more. As at 31 March 2020, the Group had over 330 million mobile customers, more than 27 million fixed broadband customers and over 22 million TV customers.

## Strategy

Vodafone’s strategy is to be a converged communications technology leader, enabling the digital society. The Group has identified four key priorities for the business in order to extend its competitive advantage and improve returns. These are:

- (i) Deepening customer engagement;
- (ii) Accelerating digital transformation;
- (iii) Improving asset utilisation; and
- (iv) Optimising the portfolio.

### ***Deepening customer engagement:***

*Consumer:* Vodafone aims to deepen the relationship it has with its customers by selling additional products and services, particularly fixed and converged products in Europe and mobile data and financial services in Africa. This will drive revenue growth and improve customer loyalty.

*Business:* Vodafone’s strategy in the Business segment is to drive growth and deepen engagement with its existing mobile customers by cross-selling additional total communications products including next generation (NGN) fixed, IoT and cloud services.

### ***Accelerating digital transformation:***

Vodafone has a clear ambition to strengthen its differentiation and lead the industry in capturing the benefits of digital. As a result, it is systematically transforming its operating model by being ‘Digital First’ – delivering a fundamentally improved customer experience whilst also structurally lowering its cost base. Vodafone has three primary areas of focus: digital customer management, digital technology management and digital operations.

### ***Improving asset utilisation:***

Vodafone aims to improve the utilisation of all of the Group’s assets as part of its focus on improving the Group’s return on capital.

### ***Optimising the portfolio:***

Vodafone’s aim has been to actively manage its portfolio in order to strengthen its market positions, simplify the Group and reduce its financial leverage.

## Share Capital

As at 31 March 2020, the issued share capital of the Issuer comprised 50,000 7 per cent. cumulative fixed rate shares of £1.00 each (the “**Fixed Rate Shares**”) and 26,772,164,544 ordinary shares (excluding treasury shares) of U.S.\$0.20 20/21 each. All the Fixed Rate Shares and the ordinary shares of the Issuer are fully paid.

Holders of the Fixed Rate Shares are entitled to be paid in respect of each financial year, or other accounting period of the Issuer, a fixed cumulative preferential dividend of 7 per cent. per annum on the nominal value of the Fixed Rate Shares. The Fixed Rate Shares do not have any other right to share in the Issuer’s profits. Holders of the Fixed Rate Shares are only entitled to vote on any resolution to vary or abrogate the rights attached to the Fixed Rate Shares. Holders have one vote for every fully-paid Fixed Rate Share. In the event of the liquidation of the Issuer, after payment of all liabilities and deductions in accordance with English law, the holders of the Fixed Rate Shares would be entitled to a sum equal to the capital paid up on such shares, together with certain dividend payments, in priority to holders of the Issuer’s ordinary shares.

## Recent Developments and Principal Investments

On 27 April 2020, the Group completed the sale of equity shares in Infrastrutture Wireless Italiane S.p.A. (“**INWIT**”), equivalent to 4.3 per cent. of INWIT’s share capital, for €400 million. The Group continues to hold 33.2 per cent. of INWIT’s equity shares and INWIT continues to be a joint venture of the Group.

## Recent Trends, Uncertainties and Demands

Save as disclosed under “*Risk Factors—Factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme*” and “*General Information—Legal Proceedings*”, the Issuer is not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for the current financial year.

## Management

The directors of Vodafone, their functions in the Group and an indication of the principal activities performed by them outside the Group, where these are significant with respect to the Group, are as follows as at the date of this Prospectus:

### Vodafone Group Plc Board of Directors

Name	Position	Outside Directorships/Activities
Gerard Kleisterlee <sup>1</sup>	Chairman	<ul style="list-style-type: none"><li>Royal Dutch Shell, deputy chair, senior independent director, chair of the remuneration committee and member of the nomination and succession committee</li><li>ASML Holding NV, chairman of supervisory board, chairman of the selection and nomination committee and member of the technology committee</li></ul>
Nicholas Read	Chief Executive Officer	<ul style="list-style-type: none"><li>Booking Holdings Inc., non-executive director and member of the nominating and corporate governance committee</li></ul>
Margherita Della Valle	Chief Financial Officer	<ul style="list-style-type: none"><li>Reckitt Benckiser Group plc, non-executive director</li></ul>
Sanjiv Ahuja	Non-Executive Director	<ul style="list-style-type: none"><li>Tillman Global Holdings LLC, chairman</li><li>JCDecaux Smalls Cells Limited, director</li></ul>

<sup>1</sup> It was announced on 22 May 2020 that Jean-Francois Van Boxmeer will be appointed as a Non-Executive Director following the Company’s Annual General Meeting on 28 July 2020, subject to shareholder approval. It is the intention that he will succeed Gerard Kleisterlee as Chairman of the Board on 3 November 2020.

## Vodafone Group Plc Board of Directors

Name	Position	Outside Directorships/Activities
Sir Crispin Davis	Non-Executive Director	<ul style="list-style-type: none"> <li>Hasbro Inc., non-executive director</li> <li>CVC Capital Partners, adviser</li> <li>WhizKidz charity, chairman</li> </ul>
Michel Demaré	Non-Executive Director	<ul style="list-style-type: none"> <li>AstraZeneca Plc, non-executive director</li> <li>Louis Dreyfus Company Holdings BV, non-executive director</li> <li>IMD Business School in Lausanne, vice chairman of the supervisory board</li> <li>Department of Banking and Finance at the University of Zurich, advisory board member</li> </ul>
Dame Clara Furse, DBE	Non-Executive Director	<ul style="list-style-type: none"> <li>HSBC UK Bank Plc, non-executive chairman</li> <li>Amadeus IT Group SA, non-executive director, chair of the audit committee and member of the nomination committee and remuneration committee</li> </ul>
Valerie Gooding	Non-Executive Director	<ul style="list-style-type: none"> <li>Aviva UK Insurance, chairman</li> <li>Royal Botanic Gardens, Kew, Queen's trustee</li> </ul>
Renée James	Non-Executive Director	<ul style="list-style-type: none"> <li>US President's National Security Telecommunications Advisory Committee, chairman</li> <li>Carlyle Group, operating executive</li> <li>Ampere Computing, chairman and chief executive</li> <li>Oracle Corporation, non-executive director</li> <li>Citigroup Inc., non-executive director and member of the risk management committee and operations &amp; technology committee</li> <li>Sabre Corporation, non-executive director and member of the technology committee and audit committee</li> <li>University of Oregon, member of advisory board</li> </ul>
Maria Amparo Moraleda Martinez	Non-Executive Director	<ul style="list-style-type: none"> <li>Airbus Group SE, senior independent director and chair of the nominations and governance committee and remunerations committee and member of ethics &amp; compliance committee</li> <li>CaixaBank S.A., non-executive director and chair of remuneration committee and member of innovation committee</li> <li>Solvay SA, non-executive director and chair of nomination committee and member of compensation committee</li> <li>SAP Iberica, advisory board member</li> <li>Spencer Stuart, advisory board member</li> <li>Member of the Royal Academy of Economy &amp; Financial Sciences</li> </ul>



## Vodafone Group Plc Board of Directors

Name	Position	Outside Directorships/Activities
David Nish	Non-Executive Director	<ul style="list-style-type: none"><li>• HSBC Holdings Plc, senior independent director and chair of the audit committee and member of remuneration committee, risk committee and nominating &amp; corporate governance committee</li><li>• University of Dundee, honorary professor</li><li>• DAVCAR60 Limited, director</li></ul>

### Board Committees

The Board has established an Audit and Risk Committee, a Nominations and Governance Committee and a Remuneration Committee, each of which has formal terms of reference approved by the Board. The Board is satisfied that the terms of reference for each of these committees satisfy the requirements of the 2018 UK Corporate Governance Code and are reviewed internally on an ongoing basis by the Board. The terms of reference for all Board committees are reviewed internally on an ongoing basis by the Board and can be found on the Issuer's website at [www.vodafone.com/governance](http://www.vodafone.com/governance). Alternatively, a copy can be obtained by application to the Company Secretary at the Issuer's registered office.

#### Audit and Risk Committee

Under its terms of reference, the Audit and Risk Committee, whose membership is made up entirely of independent directors, is required, amongst other things, to review the Issuer's results and financial statements, review the activity of the internal and external auditors and monitor compliance with statutory and listing requirements. The members of the Audit and Risk Committee are set out below:

David Nish, Chairman and financial expert

Sir Crispin Davis

Maria Amparo Moraleda Martinez

Sanjiv Ahuja

Michel Demaré

#### Nominations and Governance Committee

The Nominations and Governance Committee, whose membership is made up entirely of independent directors, provides a formal and transparent procedure for the appointment of new directors to the Board and normally engages external consultants to advise on prospective Board appointees. The Nominations and Governance Committee meets periodically when required. The Nominations and Governance Committee reports to the Board on a regular basis and has the power to employ the services of such advisers as it deems necessary to fulfil its responsibilities. The members of the Nominations and Governance Committee are set out below:

Gerard Kleisterlee, Chairman

Sir Crispin Davis

Valerie Gooding

Renée James

#### Remuneration Committee

The Remuneration Committee, whose membership is made up entirely of independent directors, is responsible to the Board for the assessment and recommendation of policy on executive remuneration and packages for individual executive directors. The members of the Remuneration Committee are set out below:

Valerie Gooding, Chairman

Michel Demaré

Renée James

Dame Clara Furse, DBE

### Executive Committee

Chaired by the Chief Executive, this committee is responsible for the Group's competitive and financial performance, reviewing strategy and new business opportunities including major acquisitions and disposals, the management of its capital structure and funding and key organisational and policy decisions. The Executive Committee membership comprises the executive directors, details of whom are shown above, and the senior managers who are listed below.

### Senior Management

Members of the Executive Committee who are not also executive directors are regarded as senior managers of Vodafone.

#### Vodafone Group Plc Senior Management

Name	Position	Outside Directorships/Activities
Dr Hannes Ametsreiter	Chief Executive Officer Germany	None
Aldo Bisio	Chief Executive Officer Italy	None
António Coimbra	Chief Executive Officer Spain	None
Ahmed Essam	Chief Commercial Operations and Strategy Officer	None
Nick Jeffery	Chief Executive Officer United Kingdom	<ul style="list-style-type: none"><li>• Dialog Semiconductor Plc, non-executive director</li></ul>
Rosemary Martin	Group General Counsel and Company Secretary	<ul style="list-style-type: none"><li>• Lloyd's Register Foundation, trustee</li><li>• The Takeover Panel, member</li></ul>
Joakim Reiter	Group External Affairs Director	<ul style="list-style-type: none"><li>• Swedish Space Corporation, member</li></ul>
Serpil Timuray	Chief Executive Officer Europe Cluster	<ul style="list-style-type: none"><li>• Danone Group, non-executive director and member of purpose &amp; engagement committee</li></ul>
Johan Wibergh	Group Technology Officer	<ul style="list-style-type: none"><li>• Trimble Inc, non-executive director and member of compensation committee</li></ul>
Leanne Wood	Chief Human Resources Officer	<ul style="list-style-type: none"><li>• The Go-Ahead Group Plc, non-executive director and chair of remuneration committee</li></ul>
Shameel Joosub	Chief Executive Officer Vodacom	<ul style="list-style-type: none"><li>• Safaricom plc, director</li><li>• Business Leadership South Africa, member</li></ul>
Vinod Kumar	Chief Executive Officer Business	<ul style="list-style-type: none"><li>• None</li></ul>

The business address of the directors and the senior management (as described above) of the Issuer is c/o Vodafone Group Plc, Vodafone House, The Connection, Newbury, Berkshire RG14 2FN. There are no potential conflicts of interest between the duties to the Issuer of the directors or the senior management (as described above) of the Issuer and their private interests and/or other duties.

## **Corporate Governance**

Throughout the financial year ended 31 March 2020, the Issuer was compliant with the provisions of, and applied the principles of, the 2018 UK Corporate Governance Code.

# Taxation

The comments below are of a general nature and are not intended to be exhaustive. They assume that there will be no substitution of the Issuer and do not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the Terms and Conditions of the Notes). Any Noteholders who are in doubt as to their own tax position should consult their professional advisers. In particular, Noteholders should be aware that the tax legislation of any jurisdiction where a Noteholder is resident or otherwise subject to taxation (as well as the jurisdiction discussed below) may have an impact on the tax consequences of an investment in the Notes including in respect of any income received from the Notes.

## 1. United Kingdom Taxation

The comments in this part are of a general nature and are based on the Issuer's understanding of current United Kingdom tax law and HM Revenue & Customs' ("HMRC") published practice (which may not be binding on HMRC) in the United Kingdom, in each case as at the latest practicable date before the date of this Prospectus, only in relation to the deduction of tax from payments of interest. They do not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The comments relate to the position of persons who are the absolute beneficial owners of the Notes and interest thereon but are not exhaustive and may not apply to certain classes of persons such as dealers or certain professional investors. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders should seek their own professional advice on other tax issues relevant to the Notes. In particular, the legislation of any jurisdiction where a Noteholder is resident or otherwise subject to taxation (as well as the jurisdictions discussed herein) may have an impact on the tax consequences of an investment in the Notes including in respect of any income received from the Notes.

- 1 Interest payable on Notes which have a maturity of less than 365 days and are not issued with the intention, or under a scheme or arrangement the effect of which is, that such Notes form part of a borrowing capable of remaining outstanding for more than 364 days can be paid without withholding or deduction for or on account of United Kingdom income tax.
- 2 So long as the Notes (i) carry a right to interest, and (ii) (a) are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "ITA 2007"), or (b) are and continue to be admitted to trading on a "multilateral trading facility" operated by a "recognised stock exchange" that is regulated in the UK or in the EEA within the meanings of sections 987 and 1005 of the ITA 2007, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax. The London Stock Exchange is a recognised stock exchange for these purposes. Notes will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the FSMA) and admitted to trading on the London Stock Exchange. The International Securities Market is a multilateral trading facility for these purposes. It is operated by the London Stock Exchange which is a recognised stock exchange that is regulated in the UK for these purposes. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange" or admitted to trading on a "multilateral trading facility" operated by a "recognised stock exchange" that is regulated in the UK or in the EEA, interest on the Notes will be payable without deduction of or withholding on account of United Kingdom tax.
- 3 In all other cases, interest on the Notes that has a United Kingdom source must generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to the availability of any other exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a direction to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).
- 4 The references above to "interest" mean amounts that are treated as interest for the purposes of United Kingdom tax law.

## 2. Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting or related requirements. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to

implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes (as described under “*Terms and Conditions of the Notes—Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

### 3. The Proposed Financial Transactions tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”) and Estonia. However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

# Subscription and Sale

The Dealers have in an amended and restated programme agreement dated 26 August 2020 (the “**Programme Agreement**”) agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. However, the Issuer has reserved the right to sell Notes outside the United States to non-U.S. persons directly on its own behalf to persons other than Dealers as principals. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

## United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes and Exchangeable Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and the U.S. Treasury regulations promulgated thereunder.

The Notes are being offered and sold outside the United States to non-U.S. persons (as defined in Regulation S) in reliance on Regulation S. The subscription agreement relating to any Tranche of Registered Notes may provide that the Managers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to QIBs in compliance with Rule 144A.

This Prospectus has been prepared by the Issuer for use in connection with the offer and sale of Notes outside the United States to persons other than U.S. persons in offshore transactions within the meaning of and in compliance with Regulation S and for the offer and resale of Registered Notes to QIBs in the United States within the meaning of and in compliance with Rule 144A. The Issuer and the Dealers reserve the right to reject any offer to purchase Notes, in whole or in part, for any reason. This Prospectus does not constitute an offer to any person in the United States or to any U.S. person (as defined in Regulation S), other than any QIB to whom an offer has been made directly by one of the Dealers or its U.S. broker-dealer affiliate. Distribution of this Prospectus to any U.S. person or to any person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or qualified institutional buyer, is prohibited.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or, in the case of Bearer Notes, deliver the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of such distribution of all the Notes of the Tranche of which such Notes are a part (such period, the “**Distribution Compliance Period**”), within the United States or to, or for the account or benefit of, U.S. persons other than, in the case of Registered Notes, in accordance with Rule 144A. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each issuance of Inflation Linked Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Inflation Linked Notes.

## Prohibition of sales to European Economic Area and United Kingdom Retail Investors

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to European Economic Area and United Kingdom Retail Investors” or, as the case may be, “Prohibition of Sales to European Economic Area Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or, if so specified in the applicable Final Terms, in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies “Prohibition of Sales to European Economic Area and United Kingdom Retail Investors” or, as the case may be, “Prohibition of Sales to European Economic Area Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area (including, for these purposes, and if so specified in the applicable Final Terms, the United Kingdom) (each, a “**Relevant State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State, except that it may make an offer of such Notes to the public in that Relevant State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purpose of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

## United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold, and will not offer or sell, any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21 (1) of the FSMA does not apply to the Issuer; and
- (c) it has complied, and will comply, with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed, and will not distribute or cause to be distributed, to the public in France this Prospectus, any Final Terms or any other offering material relating to the Notes, and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

## Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the “**Prospectus Regulation**”) and any application provision of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Italian CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and Article 34-ter of Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and
- (ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act 2001**”)) in relation to the Programme or the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the applicable Final Terms otherwise provide, it:



- (a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Prospectus or any other offering material or advertisement relating to the Notes in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies) (disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act 2001;
- (ii) the offer or invitation does not constitute an offer to a “**retail client**” as defined for the purposes of sections 761G and 761GA of the Corporations Act 2001;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) such action does not require any document to be lodged with ASIC.

## PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes in the PRC as part of the initial distribution of the Notes except as permitted by the securities laws of the PRC.

## Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are (i) a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) other than to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes, or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

#### **General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries, and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree.

# Transfer Restrictions

## Rule 144A Notes

Each purchaser of Registered Notes or a beneficial interest therein within the United States, by its acceptance or purchase thereof, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and that:

- (1) It is (a) a QIB, (b) acquiring such Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Notes has been advised, that the sale of such Notes to it is being made in reliance on Rule 144A in a transaction not involving any public offering in the United States within the meaning of the Securities Act.
- (2) The Notes have not been and will not be registered under the Securities Act, and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any state of the United States and any other applicable jurisdiction.
- (3) It will, and will require each subsequent purchaser to, notify any purchaser of Notes from it of the resale restrictions referred to herein.
- (4) Such Notes, unless otherwise agreed between the Issuer and the Trustee in accordance with applicable law, will bear a legend to the following effect:

"THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT (A "**QIB**") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THE SECURITIES EVIDENCED HEREBY."

- (5) It understands that the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements. If it is acquiring any Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.
- (6) It understands that the Registered Notes offered in reliance on Rule 144A will be represented by a DTC Restricted Global Certificate. Before any interest in Registered Notes represented by a DTC Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who will take delivery in the form of an interest in such Registered Notes represented by a Regulation S Global Certificate, it will be required to provide a Transfer Agent with a written certification (in a form to be provided) as to compliance with applicable securities laws.

**Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.**

## Regulation S Notes

Each purchaser of Notes or a beneficial interest therein outside the United States and each subsequent purchaser of such Notes in resales prior to the expiration of the Distribution Compliance Period, by its acceptance or purchase thereof, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (each within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.
- (2) It understands that such Notes have not been and will not be registered under the Securities Act, and that, prior to the expiration of 40 days following the completion of the distribution, it will not offer, sell, pledge or otherwise transfer such Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction.
- (3) It understands that such Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend in the following form:

“THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”
- (4) It understands that the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- (5) It understands that the Registered Notes offered in reliance on Regulation S will be represented by a Regulation S Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in Registered Notes represented by a Regulation S Global Certificate may be offered, sold, pledged or otherwise transferred to a person who will take delivery in the form of an interest in such Registered Notes represented by a DTC Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in a form to be provided) as to compliance with applicable securities laws.

# General Information

## Authorisation

The establishment of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 24 May 1999 and by a duly authorised committee of the Board of Directors of the Issuer on 15 July 1999. The update of the Programme has been duly authorised by resolutions of the Board of Directors of the Issuer dated 31 March 2009. The issue of Notes under the Programme has been duly authorised by resolutions of the Board of Directors of the Issuer dated 24 March 2020.

## Listing of Notes

Application has been made to the FCA for Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the Market. The listing of the Programme in respect of such Notes is expected to be granted on or about 28 August 2020. It is expected that each Tranche of Notes (other than Exempt Notes) which is to be admitted to the Official List and to trading on the Market will be admitted separately as and when issued, subject only to the issue of a Global Note or Global Certificate, as the case may be, initially representing the Notes of such Tranche.

Application has also been made for Exempt Notes issued under the Programme to be admitted to trading on the ISM of the London Stock Exchange.

## Documents Available

For the period of 12 months following the date of this Prospectus, copies of the following documents will, when published, be available from the website of the Issuer at <https://investors.vodafone.com/investors-analysts/debt-section/bonds-outstanding>:

- (i) the Memorandum and Articles of Association of the Issuer;
- (ii) the Agency Agreement, the Trust Deed which incorporates the forms of the Global Notes, the Notes in definitive form, the Certificates, the Coupons, the Talons and any Custody Agreement (if applicable);
- (iii) this Prospectus (and any documents incorporated by reference herein);
- (iv) any future prospectuses, information memoranda and supplements (and any documents incorporated by reference therein); and
- (v) each Pricing Supplement relating to Exempt Notes (save that any such Pricing Supplement relating to a Tranche of Exempt Notes which is neither listed nor admitted to trading on any stock exchange or market will only be available for inspection by a holder of such Exempt Note and such holder must produce evidence satisfactory to the Issuer or, as the case may be, such Paying Agent as to the identity of such holder).

## Clearing Systems

The Bearer Notes and Registered Notes represented by a Regulation S Global Certificate have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code, ISIN (and any other relevant financial instrument codes, such as CFI and FISN) and, where applicable, CUSIP number for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. In addition, the Issuer will make an application with respect to any restricted Notes of a Series of Registered Notes to be accepted for trading in book entry form by DTC. Acceptance by DTC of restricted Notes of each Tranche of a Series of Registered Notes will be confirmed in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system (including Sicovam), the appropriate information will be specified in the applicable Final Terms.

The entities in charge of keeping the records in relation to each Tranche of Notes shall be Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium; the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg; the address of DTC is 55 Water Street, New York, NY 10041-0099, USA.

## Provision of Information under Rule 144A

The Issuer has agreed in the Trust Deed that, for so long as any Notes are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will, during any period in which it is neither subject to Section 13 of 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner or to the Trustee for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner, prospective purchaser or Trustee, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

## Issue Price

The issue price and amount of the Notes of any Tranche will be determined at the time of the offering of such Tranche in accordance with prevailing market conditions and specified in the applicable Final Terms.

## Significant or Material Change

There has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries since 31 March 2020 and there has been no material adverse change in the prospects of the Issuer and its subsidiaries since 31 March 2020.

## Legal Proceedings

Save as disclosed in this section entitled “*Legal Proceedings*”, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have, or have had a significant effect on the financial position or profitability of the Issuer and its subsidiaries. Due to inherent uncertainties, no accurate quantification of any cost, or timing of such cost, which may arise from any of the legal proceedings outlined below can be made.

### *Indian tax cases*

In August 2007 and September 2007, Vodafone India Limited (“**Vodafone India**”) and Vodafone International Holdings BV (“**VIHBV**”) respectively received notices from the Indian tax authority alleging potential liability in connection with an alleged failure by VIHBV to deduct withholding tax from consideration paid to the Hutchison Telecommunications International Limited group (“**HTIL**”) in respect of HTIL’s gain on its disposal to VIHBV of its interests in a wholly-owned Cayman Island incorporated subsidiary that indirectly holds interests in Vodafone India. Following approximately five years of litigation in the Indian courts in which VIHBV sought to set aside the tax demand issued by the Indian tax authority, in January 2012 the Supreme Court of India handed down its judgement, holding that VIHBV’s interpretation of the Income Tax Act 1961 was correct, that the HTIL transaction in 2007 was not taxable in India, and that consequently, VIHBV had no obligation to withhold tax from consideration paid to HTIL in respect of the transaction. The Supreme Court of India quashed the relevant notices and demands issued to VIHBV in respect of withholding tax and interest.

On 28 May 2012 the Finance Act 2012 became law. The Finance Act 2012, which amended various provisions of the Income Tax Act 1961 with retrospective effect, contained provisions intended to tax any gain on transfer of shares in a non-Indian company, which derives substantial value from underlying Indian assets, such as VIHBV’s transaction with HTIL in 2007. Further, it sought to subject a purchaser, such as VIHBV, to a retrospective obligation to withhold tax. VIHBV received a letter on 3 January 2013 from the Indian tax authority reminding it of the tax demand raised prior to the Supreme Court of India’s judgement and purporting to update the interest element of that demand to a total amount of INR142 billion, which included principal and interest as calculated by the Indian tax authority but did not include penalties.

On 10 January 2014, VIHBV served an amended trigger notice on the Indian Government under the Netherlands-India Bilateral Investment Treaty (“**Dutch BIT**”), supplementing a trigger notice filed on 17 April 2012, immediately prior to the Finance Act 2012 becoming effective, to add claims relating to an attempt by the Indian Government to tax aspects of the transaction with HTIL under transfer pricing rules. A trigger notice announces a party’s intention to submit a claim to arbitration and triggers a cooling off period during which both parties may seek to resolve the dispute amicably. Notwithstanding their attempts, the parties were unable to amicably resolve the dispute within the cooling off period stipulated in the Dutch BIT. On 17 April 2014, VIHBV served its notice of arbitration under the Dutch BIT, formally commencing the Dutch BIT arbitration proceedings.

In June 2016, the tribunal was fully constituted with Sir Franklin Berman KCMG QC appointed as presiding arbitrator. The Indian Government raised objections to the application of the treaty to VIHBV’s claims and to the jurisdiction of the tribunal under the Dutch BIT.

On 19 June 2017, the tribunal decided to try both these jurisdictional objections along with the merits of VIH BV's claim in February 2019. Further attempts by the Indian Government to have the jurisdiction arguments heard separately also failed. VIH BV filed its response to India's defence in July 2018 and India responded in December 2018. The arbitration hearing took place in February 2019, and a decision is expected mid to late 2020.

Separately, on 15 June 2015, the Issuer and Vodafone Consolidated Holdings Limited served a trigger notice on the Indian Government under the United Kingdom-India Bilateral Investment Treaty ("**UK BIT**") in respect of retrospective tax claims under the Income Tax Act 1961 (as amended by the Finance Act 2012). Although relating to the same underlying facts as the claim under the Dutch BIT, the claim brought by the Issuer and Vodafone Consolidated Holdings Limited is a separate and distinct claim under a different treaty. On 24 January 2017, the Issuer and Vodafone Consolidated Holdings Limited served a Notice of Arbitration on the Indian Government formally commencing the arbitration.

The Indian Government has indicated that it considers the arbitration under the UK BIT to be an abuse of process but this is strongly denied by Vodafone. On 22 August 2017, the Indian Government obtained an injunction from the Delhi High Court preventing Vodafone from progressing the UK BIT arbitration. Vodafone was not present when India obtained this injunction and applied to dismiss it. On 26 October 2017, the Delhi High Court varied its order to permit Vodafone to participate in the formation of the UK BIT tribunal. The UK BIT tribunal now consists of Marcelo Kohen, an Argentinian national and professor of international law in Geneva (appointed by India), Neil Kaplan, a British national (appointed by the Issuer) and Professor Campbell McLachlan QC, a New Zealand national (appointed by the parties as presiding arbitrator). On 7 May 2018, the Delhi High Court dismissed the injunction. The Indian Government appealed the decision and hearings took place in 2018 and 2019, with frequent adjournments. The case will be heard once the courts reopen after the COVID-19 lockdown has passed. In the meantime, Vodafone has undertaken to take no steps advancing the UK BIT pending resolution of the Indian Government's appeal.

On 12 February 2016, VIH BV received a notice dated 4 February 2016 of an outstanding tax demand of INR221 billion (which included interest accruing since the date of the original demand) along with a statement that enforcement action, including against VIH BV's indirectly held assets in India, would be taken if the demand was not satisfied. On 29 September 2017, VIH BV received an electronically generated demand in respect of alleged principal, interest and penalties in the amount of INR190.7 billion. This demand does not appear to have included any element for alleged accrued interest liability.

Separate proceedings in the Bombay High Court taken against VIH BV to seek to treat it as an agent of HTIL in respect of its alleged tax on the same transaction, as well as penalties of up to 100% of the assessed withholding tax for the alleged failure to have withheld such taxes, were listed for hearing at the request of the Indian Government on 21 April 2016 despite the issue having been ruled upon by the Supreme Court of India. The hearing has since been periodically listed and then adjourned or not reached hearing. VIH BV and the Issuer will continue to defend vigorously any allegation that VIH BV or Vodafone India is liable to pay tax in connection with the transaction with HTIL and will continue to exercise all rights to seek redress including pursuant to the Dutch BIT and the UK BIT. Vodafone has not recorded a provision in respect of the retrospective provisions of the Income Tax Act 1961 (as amended by the Finance Act 2012) and any tax demands based upon such provisions.

#### ***Other Indian tax cases***

Vodafone India and Vodafone India Services Private Limited ("**VISPL**") (formerly 3GSPL) is involved in a number of tax cases with total claims exceeding €450 million plus interest, and penalties of up to 300 per cent. of the principal.

##### ***VISPL tax claims***

VISPL has been assessed as owing tax of approximately €258 million (plus interest of €521 million) in respect of (i) a transfer pricing margin charged for the international call centre of HTIL prior to the 2007 transaction with Vodafone for HTIL assets in India; (ii) the sale of the international call centre by VISPL to HTIL; and (iii) the acquisition of and/or the alleged transfer of options held by VISPL for Vodafone India. The first two of the three heads of tax are subject to an indemnity by HTIL. The larger part of the potential claim is not subject to any indemnity. VISPL unsuccessfully challenged the merits of the tax demand in the statutory tax tribunal and the jurisdiction of the tax office to make the demand in the High Court. The Tax Appeal Tribunal heard the appeal and ruled in the Tax Office's favour. VISPL lodged an appeal (and stay application) in the Bombay High Court which was concluded in early May 2015. On 13 July 2015 the tax authorities issued a revised tax assessment reducing the tax VISPL had previously been assessed as owing in respect of (i) and (ii) above. In the meantime, (i) a stay of the tax demand on a deposit of £20 million and (ii) a corporate guarantee by VIH BV for the balance of tax assessed remain in place. On 8 October 2015, the Bombay High Court ruled in favour of Vodafone in relation to the options and the call centre sale. The Tax Office has appealed to the Supreme Court of India. A hearing has been adjourned with no specified date.

#### ***Indian regulatory cases***

Litigation remains pending in the Telecommunications Dispute Settlement Appellate Tribunal (“TDSAT”), High Courts and the Supreme Court of India in relation to a number of significant regulatory issues including mobile termination rates (“MTRs”), spectrum and licence fees, licence extension and 3G intra-circle roaming (“ICR”).

#### Vodafone Idea

As part of the agreement to merge Vodafone India and Idea Cellular, the parties agreed a mechanism for payments between the Group and Vodafone Idea Limited (“VIL”) pursuant to the crystallisation of certain identified contingent liabilities in relation to legal, regulatory, tax and other matters, including the AGR case (see below), and refunds relating to Vodafone India and Idea Cellular. Cash payments or cash receipts relating to the aforementioned matters must have been made or received by VIL before any amount becomes due from or owed to the Group. Any future payments by the Group to VIL as a result of this agreement would only be made after satisfaction of this and other contractual conditions. The Group’s potential exposure under this mechanism is capped at INR 84 billion (approximately €1 billion). Having considered the payments made and refunds received by VIL in relation to certain contingent liabilities relating to Vodafone India and Idea Cellular, including those relating to the AGR case, and the significant uncertainties in relation to VIL’s ability to settle all liabilities relating to the AGR judgement, the Group has assessed a cash outflow of €235 million under the agreement to be probable at this time. On 22 April 2020, the Group announced that it has made an advance payment of US\$200 million to VIL for amounts likely to be due under the terms of this mechanism.

#### *Adjusted Gross Revenue (“AGR”) dispute before the Supreme Court of India: VIL and others v Union of India*

The Department of Telecommunications (“DoT”) has been in dispute with telecom service providers in India for over a decade concerning the correct interpretation of licence provisions for fees based on AGR, a concept that is used in the calculation of licence and other fees payable by telecom service providers. On an appeal to the Supreme Court from a decision of the TDSAT substantially upholding the telecom service providers’ interpretation of AGR, the Supreme Court on 24 October 2019 held against the telecom service providers, including VIL. The Supreme Court’s ruling in favour of the DoT rendered the telecom service providers, including VIL, liable for principal, interest, penalties and interest on penalties on demands of the DoT in relation to licence fees. The DoT demands became due and payable within three months of the Supreme Court judgement.

In November 2019, the DoT issued an order for the AGR judgement debt to be determined through self-assessment and paid on or before 23 January 2020. VIL and other operators filed review petitions against the judgement, which were heard and dismissed on 16 January 2020. On 23 January 2020, the DoT announced that it would not take coercive action against telecom service providers which have not repaid their respective AGR judgement debts. Consequently, VIL and others did not pay any amount to the DoT. On 14 February 2020, after hearing applications from VIL and other operators, the Supreme Court ordered the DoT to withdraw its non-coercive order as well as requiring all directors of VIL and other relevant operators to show cause as to why contempt proceedings should not be brought against them. VIL filed its response on 6 March 2020. In another hearing on 18 March 2020, the Supreme Court ordered that no exercise of self-assessment/re-assessment should be performed and that the dues, as calculated by the DoT, should apply as per their original ruling in October 2019.

Based on submissions of the DoT in the Supreme Court proceedings (which the Group is unable to confirm as to their accuracy), VIL’s current liability appears to be INR 514 billion (€6.2 billion). The next hearing, where the Supreme Court is expected to consider the DoT’s request to give a reasonable time for payment to be made, has been delayed as a result of the COVID-19 related restrictions.

#### **Other cases in the Group**

##### *Italy: Iliad v Vodafone Italy*

In August 2019, Iliad filed a claim for €500 million against Vodafone Italy in the Civil Court of Milan. The claim alleges anti-competitive behaviour in relation to portability and certain advertising campaigns by Vodafone Italy. A number of preliminary hearings have taken place, and in May 2020 the Court rejected Iliad’s requests for interim measures. Iliad did not appeal. The next hearing on damages will take place in October 2020.

##### *Netherlands: Consumer credit/handset case*

In February 2016, the Dutch Supreme Court ruled on the Dutch implementation of the EU Consumer Credit Directive and “instalment sales agreements” (a Dutch law concept), holding that bundled “all-in” mobile subscription agreements (i.e. device along with mobile services) are considered consumer credit agreements. As a result, VodafoneZiggo, together with the industry, has been working with the Ministry of Finance and the Competition Authority on compliance requirements going forward for such offers. The ruling also has retrospective effect. A number of small claims were submitted by individual customers in the small claims courts. On 15 February 2018,



Consumentenbond (a claims agency) initiated collective claim proceedings against VodafoneZiggo, Tele2, T-Mobile and KPN. A preliminary understanding has been reached with the claims agency and the Dutch Consumer Federation, to be finalised during 2020. As a result, the collective claim proceedings against VodafoneZiggo have been withdrawn.

#### *UK: Phones 4U in Administration v Vodafone Limited and the Issuer and Others*

In December 2018 the administrators of former UK indirect seller Phones 4U sued the three main UK mobile network operators (“MNOs”), including Vodafone, and their parent companies. The administrators allege a conspiracy between the MNOs to pull their business from Phones 4U thereby causing its collapse. The value of the claim is not pleaded but Vodafone understands it to be the total value of the Phones 4U business, possibly around £1 billion. The Group’s alleged share of the liability is also not pleaded. Vodafone filed its defence on 18 April 2019, along with several other defendants, and the administrators filed their replies in October 2019. A case management hearing took place in March 2020, with another one scheduled for July 2020 dealing with, among other things, disclosure and security for costs. A tentative trial date has been set for June 2022 though the assigned judge has yet to decide whether there will be a split trial dealing with issues of liability and quantum separately.

#### *Greece: the Papistas case*

In December 2013, Mr. and Mrs. Papistas, and companies owned or controlled by them, brought three claims in the Greek court in Athens against Vodafone Greece, Vodafone Group Plc and certain Directors and officers of Vodafone Greece and Vodafone Group Plc for purported damage caused by the alleged abuse of dominance and wrongful termination of a franchise arrangement with a Papistas company. Approximately €1.0 billion of the claim was directed exclusively at two former Directors of Vodafone. The balance of the claim (approximately €285.5 million) was sought from Vodafone Greece and Vodafone Group Plc on a joint and several basis. Both cases were adjourned to a hearing in September 2018, at which the plaintiffs withdrew all of their claims against Vodafone and its Directors. On 31 December 2018, the plaintiff filed a new, much lower value claim against Vodafone Greece, dropping the individual Directors and Vodafone Group Plc as defendants. On 5 April 2019, Mr Papistas withdrew this latest lawsuit, but in October 2019 filed several new cases against Vodafone Greece with a total value of approximately €330 million. Vodafone filed a counter claim and all claims were heard in February 2020, although Mr Papistas did not make the stamp duty payments required by the Court to have his case considered. In June 2020, the Court issued judgment in respect of the first part of Mr Papistas’ claims, dismissing them all for non-payment of the court stamp duty.

#### **US Federal Income Tax Legend**

The following legend will appear on all permanent and definitive Bearer Notes and Exchangeable Bearer Notes where “TEFRA D” is specified in the applicable Final Terms and on all interest coupons and talons relating to such Notes:

*"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE"*

#### **Auditors**

The auditor of the Issuer is Ernst & Young LLP, who has audited the Issuer’s financial statements, without qualification, in accordance with the standards of the Public Company Accounting Oversight Board (United States) and International Standards on Auditing for the financial year ended 31 March 2020. PricewaterhouseCoopers LLP audited the Issuer’s financial statements, without qualification, in accordance with the standards of the Public Company Accounting Oversight Board (United States) and International Standards on Auditing for the financial year ended 31 March 2019. The Issuer’s consolidated financial statements for the financial years ended 31 March 2019 and 31 March 2020 were prepared in accordance with International Financial Reporting Standards.

#### **Certificates and Reports**

Any certificate or report of the auditors or any other expert or other person called for by or provided to the Trustee in accordance with or for the purposes of the Notes may be relied upon by the Trustee as sufficient evidence of the facts stated therein whether or not such certificate or report is addressed to the Trustee and whether or not such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the auditors (or such other expert or other person) in respect thereof.

## **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

## **Post-issuance information**

Save as set out in the Final Terms, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

## **Dealers transacting with the Issuer**

Certain of the Dealers and their affiliates, including parent companies, have engaged, and may in the future engage, in financing, investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. Certain of the Dealers may from time to time also enter into swap and other derivative transactions with the Issuer and its affiliates.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purpose of this section the term "affiliates" also includes parent companies.

**THE ISSUER**

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**REGISTRAR, EXCHANGE AGENT AND TRANSFER AGENT**

**HSBC Bank USA National Association**

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*To the Issuer*

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### **Mizuho International plc**

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### **NatWest Markets Plc**

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